

OFFICIAL COPY
DIVISION OF
CLASS "A" OR "B"

WATER and/or WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

OF

SU114S-02-AR

Hudson Utilities, Inc.

Exact Legal Name of Respondent

104S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

03/10/03 4:11 PM: 29
REGISTRATION
PUBLIC SERVICE

Cronin, Jackson, Nixon & Wilson

CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
CHRISTINE R. CHRISTIAN, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
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April 30, 2003

Officers and Directors
Hudson Utilities, Inc.

We have compiled the 2002 Annual Report of Hudson Utilities, Inc. in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of Hudson Utilities, Inc.. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

This report is presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

Cronin, Jackson, Nixon & Wilson

CRONIN, JACKSON, NIXON & WILSON

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EXECUTIVE

SUMMARY

CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT December 31, 2002

I HEREBY CERTIFY, to the best of my knowledge and belief:

- | | | |
|--------------|-----------|--|
| YES
(X) | NO
() | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
(X) | NO
() | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
(X) | NO
() | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
(X) | NO
() | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

Items Certified

1.	2.	3.	4.
(X)	(X)	(X)	(X)



 (signature of the chief executive officer of the utility) *

1.	2.	3.	4.
()	()	()	()

 N/A
 (signature of the chief financial officer of the utility) *

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2002

Hudson Utilities, Inc.
(Exact Name of Utility)

County: Pasco

List below the exact mailing address of the utility for which normal correspondence should be sent:

14334 Old Dixie Hwy.
Hudson, Florida 34667

Telephone: (727) 863-0205

e-Mail Address: N/A

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number N/A

Name and address of person to whom correspondence concerning this report should be addressed:

Robert C. Nixon, CPA
Cronin, Jackson, Nixon & Wilson, CPA's, PA
2560 Gulf-to-Bay Blvd, Suite 200
Clearwater, Florida 34625
Telephone: (727) 791-4020

List below the address of where the utility's books and records are located:

14334 Old Dixie Hwy.
Hudson, Florida 34667

Telephone: (727) 863-0205

List below any groups auditing or reviewing the records and operations:

Cronin, Jackson, Nixon and Wilson, CPA's

Date of original organization of the utility: March 20, 1969

Check the appropriate business entity of the utility as filed with the Internal Revenue Service:

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the utility:

Name	Percent Ownership
1. Robert Bammann	44 %
2. Charles Griffin	44 %
3.	%
4.	%
5.	%
6.	%
7.	%
8.	%
9.	%
10.	%

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT December 31, 2002
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DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Robert Bammann	President	Hudson Utilities, Inc.	All company matters
Charles Griffin	Vice-President	Hudson Utilities, Inc.	Engineering matters
Mathew Griffin	V.P. / Secretary Treasurer	Hudson Utilities, Inc.	Operational & customer matters
Ken Hoffman	Attorney	Rutledge, Ecenia, et. Al.	Legal matters
Robert C. Nixon	CPA	Cronin, Jackson, Nixon & Wilson, CPA's, P.A.	Rate and accountin matters
Charles E. Griffin	Engineer	Charles E. Griffin, Inc.	Engineering

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

UTILITY NAME Hudson Utilities, Inc.

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.**
- B. Public services rendered.**
- C. Major goals and objectives.**
- D. Major operating divisions and functions.**
- E. Current and projected growth patterns.**
- F. Major transactions having a material effect on operations.**

- (A) Hudson Utilities, Inc., a Florida corporation, was incorporated in 1975. The company is a Class B regulated public utility providing sewer transmission lines within a designated service area in Hudson, Florida. The Company was purchased in September 1987 by Robert Bamman. During 1998, the Company was granted a name change to Hudson Utilities, Inc.
- (B) Sewage collection only. Treatment is purchased from Pasco County.
- (C) To provide central sewage collection service throughout the utility's service area and a fair rate of return to the Company's stockholders.
- (D) Sewer collection service only.
- (E) The Company expects to add approximately 100 new connections annually and with additional financing to complete the expansion of the collection system within the certificated area.
- (F) The Company had no major transactions having a material effect on operations during the year ended December 31, 2002

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT
December 31, 2002

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/02

Complete below an organizational chart that shows all parents and subsidiaries of the utility. The chart must also show the relationship between the utility and the affiliates listed on E-7, E-10(a) and E-10(b).

Hudson Utilities, Inc. is neither a subsidiary nor a parent of another corporation.

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT December 31, 2002
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COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Robert Bammann	President	55 %	\$ 26,000
Charles Griffin	Vice-President	45 %	\$ 22,100
Mathew Griffin	Vice-President Secretary/ Treasurer	100 %	\$ 34,320

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as an director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
Robert Bammann	President	2	\$ None
Charles Griffin	Vice-President	2	\$ None
Mathew Griffin	Vice-President Secretary/ Treasurer	2	\$ None

UTILITY NAME: Hudson Utilities, Inc.

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, and other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on Page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Robert Bammann	Bldg., Rents	\$ 9,472	N/A

* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT
December 31, 2002

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principal occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Robert Bammann	Construction	Shareholder	Marelli Construction Hudson, Florida
Charles E. Griffin	Engineering	Shareholder	Charles Griffin, Inc.

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT December 31, 2002
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BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT OF PROVIDING WATER OR SEWER SERVICE

Complete the following for any business which is conducted as a byproduct, coproduct or joint product as a result of providing water and/or sewer service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenues and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCT. NO. (c)	REVENUES GENERATED (d)	ACCT. NO. (e)	EXPENSES INCURRED (f)	ACCT. NO. (g)
None	\$		\$		\$	

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT December 31, 2002
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BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6 identifying the parties, amounts, dates and product, asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:

- management, legal and accounting services	- material and supplies furnished
- computer services	- leasing of structures, land and equipment
- engineering & construction services	- rental transactions
- repairing and servicing of equipment	- sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
N/A				\$

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT December 31, 2002
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BUSINESS TRANSACTIONS WITH RELATED PARTIES

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

- | | |
|--|---|
| <p>1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.</p> <p>2. Below are examples of some types of transactions to include:</p> <ul style="list-style-type: none"> - purchase, sale or transfer of equipment. - purchase, sale or transfer of land and structures. - purchase, sale or transfer of securities. - noncash transfers of assets. - noncash dividends other than stock dividends. - writeoff of bad debts or loans. | <p>3. The columnar instructions follow:</p> <ul style="list-style-type: none"> (a) Enter name of related party or company. (b) Describe briefly the type of assets purchased, sold or transferred. (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S". (d) Enter the net book value for each item reported. (e) Enter the net profit or loss for each item (column (c) - column (d)). (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value. |
|--|---|

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
Robert Bammann / Marelli Construction	Construction of collection system at cost	\$ None	\$	\$	\$ N/A
Robert Bammann	Repair work for existing collection system	2,530			2,530

FINANCIAL

SECTION

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations
Class A & B**

Company: Hudson Utilities, Inc.

For the Year Ended December 31, 2002

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate revenues (521.1 - 521.6)	-	-	\$ -
Total Measured Revenues (522.1 - 522.5)	\$ 1,331,306	\$ 1,331,306	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530 - 536)	2,531	2,531	-
Reclaimed Water Sales (540.1 - 544)	-	-	-
Total Wastewater Operating Revenue	\$ 1,333,837	\$ 1,333,837	\$ -
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	-	-	-
Net Wastewater Operating Revenues	\$ 1,333,837	\$ 1,333,837	\$ -

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT
December 31, 2002

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 6,746,524	\$ 6,745,374
108-110	Less: Accumulated Depreciation and Amortization	F-8	(1,722,364)	(1,513,692)
Net Plant			5,024,160	5,231,682
114-115	Utility Plant Acquisition Adjustments (Net)	F-7	18,368	19,640
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			5,042,528	5,251,322
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	256	256
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			256	256
123	Investment in Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10	20,421	12,574
Total Other Property and Investments			20,677	12,830
CURRENT AND ACCRUED ASSETS				
131	Cash		30,315	17,075
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts	F-11	145,771	153,851
145	Accounts Receivable from Associated Companies	F-12	18,600	18,600
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies			
161	Stores Expense			
162	Prepayments			
171	Accrued Interest and Dividends Receivable			
172*	Rents Receivable			
173*	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			194,686	189,526

* Not Applicable for Class B Utilities

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT
December 31, 2002

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13		17,933
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14	11,793	
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes		335,673	351,419
Total Deferred Debits			347,466	369,352
TOTAL ASSETS AND OTHER DEBITS			\$ 5,605,357	\$ 5,823,030

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 181	\$ 181
204	Preferred Stock Issued	F-15		
202,205*	Capital Stock Subscribed			
203,206*	Capital Stock Liability for Conversion			
207*	Premium on Capital Stock			
209*	Reduction in Par or Stated Value of Capital Stock			
210*	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid-in Capital		604,029	604,029
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings (Deficit)	F-16	(2,371,317)	(2,142,692)
216	Reacquired Capital Stock		(2,400)	(2,400)
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital (Deficit)			(1,769,507)	(1,540,882)
LONG TERM DEBT				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt				
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		148,258	106,950
232	Notes Payable	F-18	4,487,733	4,530,810
233	Accounts Payable to Associated Co.	F-18	28,360	28,360
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		10,680	9,660
236	Accrued Taxes		161,444	164,432
237	Accrued Interest	F-19	34,211	40,367
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20		
Total Current and Accrued Liabilities			4,870,686	4,880,579

* Not Applicable for Class B Utilities

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	F-13		
252	Advances for Construction	F-20		
253	Other Deferred Credits (Contributed Taxes)	F-21	232,580	239,301
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			232,580	239,301
OPERATING RESERVES				
261	Property Insurance Reserve			
262	Injuries and Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
Total Operating Reserves				
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	2,693,756	2,625,585
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	706,980	637,908
Total Net C.I.A.C.			1,986,776	1,987,677
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		284,822	256,355
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
Total Accum. Deferred Income Taxes			284,822	256,355
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 5,605,357	\$ 5,823,030

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT
December 31, 2002

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 1,285,655	\$ 1,333,837
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			1,285,655	1,333,837
401	Operating Expenses	F-3(b)	647,062	707,594
403	Depreciation Expense	F-3(b)	209,940	208,672
	Less: Amortization of CIAC	F-22	(81,680)	(69,072)
Net Depreciation Expense			128,260	139,600
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC) (Plant Abandonment)	F-3(b)		
408	Taxes Other Than Income	W/S-3	175,825	173,740
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3	6,866	22,208
410.11	Deferred State Income Taxes	W/S-3	1,175	3,919
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	(6,721)	(6,721)
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			952,467	1,040,340
Net Utility Operating Income			333,188	293,497
469/530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (Losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			333,188	293,497

* For each account, column e should agree with columns f, g + h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3* (f)	SEWER SCHEDULE S-3* (g)	OTHER THAN REPORTING SYSTEMS (h)
N/A	\$ 1,333,837	N/A
-	1,333,837	-
	707,594	
	208,672	
	(69,072)	
-	139,600	-
	173,740	
	22,208	
	3,919	
	(6,721)	
	1,040,340	
N/A	293,497	
N/A	\$ 293,497	N/A

* Total of Schedules W-3/S-3 for all rate groups

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT
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COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR (e)
Total Utility Operating Income [from Page F-3(a)]			\$ 333,188	\$ 293,497
OTHER INCOME AND DEDUCTIONS				
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income			
421	Miscellaneous Nonutility Revenue		521	94
426	Miscellaneous Nonutility Expenses		(35,941)	(51,594)
Total Other Income and Deductions			(35,420)	(51,500)
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income			
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable to Other Income				
INTEREST EXPENSE				
427	Interest Expense	F-19	472,776	452,689
428	Amortization of Debt Discount & Expense	F-13	44,092	17,933
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			516,868	470,622
EXTRAORDINARY ITEMS				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
NET INCOME			\$ (219,100)	\$ (228,625)

Explain Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	N/A	\$ 6,746,524
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8		(1,722,364)
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22		(2,693,756)
252	Advances for Construction	F-20		
Subtotal				<u>2,330,404</u>
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22		706,980
Subtotal				<u>3,037,384</u>
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)			88,449
	Other (Specify):			

RATE BASE			\$ _____ -	\$ <u>3,125,833</u>
NET UTILITY OPERATING INCOME			\$ _____ -	\$ <u>293,497</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			____ - - %	<u>9.39 %</u>

NOTES:

- (1) Estimated if not known.
 - (2) Include only those Acquisition Adjustments that have been approved by the Commission.
 - (3) Calculation consistent with last rate proceeding.
- In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Method.

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES(3) (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ -	%	-	%
Preferred Stock		%	-	%
Long Term Debt (4)	4,487,733	99.76 %	10.65 %	10.6244 %
Customer Deposits	10,680	0.24 %	6.00 %	0.0144 %
Tax Credits - Zero Cost		%	-	%
Tax Credits - Weighted Cost		%	-	%
Deferred Income Taxes		%	-	%
Other (Explain)		%	-	%
Notes Payable - Assoc Co		%	%	%
Total	\$ 4,498,413	100.00 %		10.64 %

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

(4) See Schedule F-6 note 3 for calculated average cost of debt.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	<u>13.51</u> %
Commission order approving Return on Equity:	<u>Order No. 23810</u>

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING THE YEAR

Current Commission approved AFUDC rate:	<u>-</u> %
Commission order approving AFUDC rate:	<u>-</u>

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	YEAR END BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS (e)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)
Common Equity	\$ (1,769,507)	\$ -	\$ -	\$ 1,769,507 (2)	\$ -
Preferred Stock	-				
Long Term Debt	4,487,733				4,487,733
Customer Deposits	10,680				10,680
Tax Credits - Zero Cost					
Tax Credits - Weighted Cost					
Deferred Income Taxes					
Other (Explain):					
Notes Payable - Assoc Co					
Total	\$ 2,728,906	\$ -	\$ -	\$ 1,769,507	\$ 4,498,413

(1) Explain below all adjustments made in Columns (e) and (f)

(2) Remove negative common equity

(3) Average cost of debt calculated as follows:

	Year End	Ratio	Cost	Weighted Cost
WRH Mortgage	\$ 600,000	13.37%	13.50%	1.80
Republic/United Banks	3,827,682	85.29%	7.75%	6.61
Huntington Bank	698	0.02%	8.75%	0.00
McMeans	5,514	0.12%	8.00%	0.01
World Omni Financial	16,547	0.37%	8.99%	0.03
Bank One	37,292	0.83%	6.90%	0.06
	<u>\$ 4,487,733</u>	<u>100.00%</u>		<u>10.65%</u>

UTILITY NAME: Hudson Utilities, Inc.

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**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts Utility Plant In Service	N/A	\$ 6,746,524	N/A	\$ 6,746,524
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress				
106	Completed Construction Not Classified				
Total Utility Plant		N/A	\$ 6,746,524	N/A	\$ 6,746,524

**UTILITY PLANT ACQUISITION ADJUSTMENTS
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	NA	\$ 50,730	NA	\$ 50,730
Total Plant Acquisition Adjustment			\$ 50,730		\$ 50,730
115	Accumulated Amortization	NA	\$ (32,362)	NA	\$ (32,362)
Total Accumulated Amortization			\$ (32,362)		\$ (32,362)
Total Acquisition Adjustments		NA	\$ 18,368	NA	\$ 18,368

ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	N/A	\$ 1,513,692	N/A	\$ 1,513,692
Credits during year:				
Accruals charged:				
to Account 108.1 (1)		208,672		208,672
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				

Salvage				
Other Credits (specify) :				

Total credits		208,672		208,672
Debits during year:				
Book cost of plant retired	-	-		
Cost of removal				
Other debits (specify)				

Total debits				
Balance end of year	N/A	\$ 1,722,364	N/A	\$ 1,722,364

ACCUMULATED AMORTIZATION Account 110				
Balance first of year N/A	N/A	N/A	N/A	N/A
Credits during year:				
Accruals charged:				
to Account 110.2 (2)				
Other Accounts (specify):				

Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				

Total debits				
Balance end of year	N/A	N/A	N/A	N/A

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

UTILITY NAME: Hudson Utilities, Inc.

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**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCTS. 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (c)	AMOUNT (d)
Service Availability Case - Order No. PSC-02-1626-PAA-SU	\$ 12,044	767	\$ 251
Total	\$ 12,044		\$ 251

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.
Other items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
Office Equipment - Misc.	\$ 256	\$ -	\$ -	\$ 256
Total Nonutility Property	\$ 256	\$ -	\$ -	\$ 256

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): N/A	\$ -
Total Special Deposits	\$ -
OTHER SPECIAL DEPOSITS (Account 133): N/A	\$ -
Total Other Special Deposits	\$ -

UTILITY NAME: Hudson Utilities, Inc.

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**INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123-127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): N/A	\$ -	\$ -
Total Investment In Associated Companies		\$ -
UTILITY INVESTMENTS (ACCT. 124): N/A	\$ -	\$ -
Total Utility Investments		\$ -
OTHER INVESTMENTS (ACCT. 125): N/A	\$ -	\$ -
Total Other Investments		\$ -
SPECIAL FUNDS (ACCTS. 126 & 127) Annual Holding Account	\$ -	\$ 20,421
Total Special Funds		\$ 20,421

UTILITY NAME: Hudson Utilities, Inc.

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ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Wastewater	132,029	
_____	_____	
_____	_____	
_____	_____	
Total Customer Accounts Receivable		\$ 132,029
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Other Accounts Receivable		
NOTES RECEIVABLE (Acct. 144):		
Notes Receivable from customers for CIAC	\$ 18,742	
_____	_____	
_____	_____	
Total Notes Receivable		\$ 18,742
Total Accounts and Notes Receivable		150,771
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):		
Balance First of Year	\$ 5,000	
Add: Provision for uncollectables for current year	_____	
Collections of accounts previously written off	_____	
Utility accounts	_____	
Others	_____	
_____	_____	
_____	_____	
Total Additions		
Deduct accounts written off during year:		
Utility accounts	_____	
Others	_____	
_____	_____	
_____	_____	
Total accounts written off		
Balance end of year		5,000
Total Accounts and Notes Receivable - Net		\$ 145,771

UTILITY NAME: Hudson Utilities, Inc.

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ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Receivable from shareholder - B. Bammann	\$ 18,600
Total	\$ 18,600

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
None		
Total		\$ -

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	TOTAL (c)
None	\$ -
Total	\$ -

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UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):		
Notes Payable - WRH Mortgage, Republic Bank & United Bank	\$ 17,933	

Total Unamortized Debt Discount and Expense	\$ 17,933	
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$ -	\$ -

Total Unamortized Premium on Debt	\$ -	\$ -

EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182):	
N/A	\$ -

Total Extraordinary Property Losses	\$ -

UTILITY NAME: Hudson Utilities, Inc.

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**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (d)
COMMON STOCK		
Par or stated value per share	\$ 1.00	\$ 1.00
Shares authorized	200	200
Shares issued and outstanding	181	181
Total par value of stock issued	\$ 181	\$ 181
Dividends declared per share for year	None	None
PREFERRED STOCK		
Par or stated value per share	N/A	N/A
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued		
Dividends declared per share for year	N/A	N/A

* Account 204 not applicable for Class B utilities

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
N/A	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ -

* For variable rate obligations, provide the basis for the rate. (I.e.. Prime + 2%, etc)

UTILITY NAME: Hudson Utilities, Inc.

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STATEMENT OF RETAINED EARNINGS

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance beginning of year (Deficit)	\$ (2,142,692)
439	Changes to account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____ _____	_____ _____
	Total Credits	_____
	Debits: _____ _____	_____ _____
	Total Debits	_____
435	Balance transferred from Income	(228,625)
436	Appropriations of Retained Earnings: _____ _____	_____ _____
	Total appropriations of Retained Earnings	_____
437	Dividends declared: Preferred stock dividends declared _____	_____
438	Common stock dividends declared _____	_____
	Total Dividends Declared	_____
	Year end Balance	(2,371,317)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	_____
	Total Retained Earnings (Deficit)	\$ (2,371,317)

Notes to Statement of Retained Earnings:

UTILITY NAME: Hudson Utilities, Inc.

YEAR OF REPORT December 31, 2002
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**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$ -
Total	\$ -

**OTHER LONG TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
N/A	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			

* For variable rate obligations, provide the basis for the rate. (I.e., Prime + 2%, etc)

UTILITY NAME: Hudson Utilities, Inc.

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NOTES PAYABLE (ACCTS. 232 AND 234)

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
NOTES PAYABLE (Account 232):			
WRH Mortgage, Inc.	13.50 %	FIXED	\$ 600,000
Republic/United Banks (1 year ARM)	7.75 %	FIXED	3,827,682
Huntington Bank	8.75 %	FIXED	698
C. McMeans	8.00 %	FIXED	5,514
World Omni Financial	8.99 %	FIXED	16,547
Bank One	6.90 %	FIXED	37,292
Total Account 232			\$ 4,487,733
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
N/A			\$ -
Total Account 234			N/A

* For variable rate obligations, provide the basis for the rate. (i.e.. Prime +2%, etc)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
Griffin Engineering - Utility engineering services	\$ 28,360
Total	\$ 28,360

**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt					
WRH Mortgage, Inc.	\$ 6,975	427	\$ 82,829	\$ 82,829	\$ 6,975
Republic/United Banks	32,323	427	364,041	370,807	25,557
World Omni Financial		427	1,703	1,703	
Huntington Bank		427	310	310	
McMeans		427	711	711	
Bank One		427	2,485	2,485	
Total Account No. 237.1	39,298		452,079	458,845	32,532
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Customer Deposits	1,069	427	610		1,679
Total Account 237.2	1,069		610		1,679
Total Account 237 (1)	\$ 40,367		\$ 452,689	\$ 458,845	\$ 34,211
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 452,689		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 452,689		

UTILITY NAME: Hudson Utilities, Inc.

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**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1)		
Contributed Taxes	\$ 6,721	\$ 232,580
Total Regulatory Liabilities	\$ 6,721	\$ 232,580
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2)		
N/A	\$ -	\$ -
Total Deferred Liabilities	\$ -	\$ -
TOTAL OTHER DEFERRED CREDITS	\$ 6,721	\$ 232,580

UTILITY NAME: Hudson Utilities, Inc.

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**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	N/A	\$ 2,625,585	N/A	\$ 2,625,585
Add credits during year:	-	68,171		68,171
Less debits charged during	-	-		-
Total Contributions In Aid of Construction	N/A	\$ 2,693,756	N/A	\$ 2,693,756

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272**

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	N/A	\$ 637,908	N/A	\$ 637,908
Debits during year:		69,072		69,072
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	N/A	\$ 706,980	N/A	\$ 706,980

UTILITY NAME: Hudson Utilities, Inc.

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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES
(UTILITY OPERATIONS)**

1. The reconciliation should include the same detail as furnished on schedule M-1 of the federal income tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.

2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among group members.

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year (loss)	F-3 (c)	\$ (228,625)
Reconciling items for the year:		
Taxable income not reported on the books:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Income recorded on books not included in return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Federal tax net income (loss)		\$ (228,625)
Computation of tax:		
The tax return has not been completed; however, no current income tax payable is expected. Thus, no provision for current tax expense has been made.		

WATER OPERATION SECTION

Note: Hudson Utilities, Inc. is a sewer only utility; therefore, W-1 through W-14 have been omitted from this report.

WASTEWATER

OPERATION

SECTION

UTILITY NAME: Hudson Utilities, Inc.
 SYSTEM NAME / COUNTY: Hudson/Pasco

YEAR OF REPORT
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SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(b)	\$ 6,746,524
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(1,722,364)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(2,693,756)
252	Advances for Construction	F-20	
	Subtotal		2,330,404
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	706,980
	Subtotal		3,037,384
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		88,449
	Other (Specify):		
	WASTEWATER RATE BASE		\$ 3,125,833
	UTILITY OPERATING INCOME	S-3	\$ 293,497
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		9.39 %

- NOTES: (1) Class A calculate consistent with last rate proceeding. Class B estimated if not known.
 (2) Include only those Acquisition Adjustments that have been approved by the Commission.
 (3) Calculation consistent with last rate proceeding.
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	S-9	\$ 1,333,837
530	Less: Guarenteed Revenue and AFPI	S-9	
	Net Operating Revenues		1,333,837
401	Operating Expenses	S-10(a)	707,594
403	Depreciation Expense	S-6(a)	208,672
	Less: Amortization of CIAC	S-8(a)	(69,072)
	Net Depreciation Expense		139,600
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC) (Loss on plant abandonment)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		60,023
408.11	Property Taxes		101,422
408.12	Payroll Taxes		11,722
408.13	Other Taxes & Licenses		573
408	Total Taxes Other Than Income		173,740
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		22,208
410.11	Deferred State Income Taxes		3,919
411.10	Provision for Deferred Income Taxes - Credit		(6,721)
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		1,040,340
	Utility Operating Income		293,497
469	Add Back: Guarenteed Revenue (and AFPI)		
413	Income From Utility Plant Leased to Others		
414	Gains (Losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ 293,497

UTILITY NAME: Hudson Utilities, Inc.
 SYSTEM NAME / COUNTY: Hudson/Pasco

YEAR OF REPORT
 December 31, 2002

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 6,246	\$ -	\$ -	\$ 6,246
352	Franchises				
353	Land and Land Rights	9,513			9,513
354	Structure and Improvements	2,195			2,195
355	Power Generation Equipment	0			
360	Collection Sewers - Force	937,958			937,958
361	Collection Sewers - Gravity	3,581,328			3,581,328
362	Special Collecting Structures				
363	Services to Customers	855,605			855,605
364	Flow Measuring Devices	141,354			141,354
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	535,705			535,705
371	Pumping Equipment	509,662			509,662
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	6,298			6,298
390	Office Furniture & Equipment	34,864	1,150		36,014
391	Transportation Equipment	111,003			111,003
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	10,829			10,829
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment	2,814			2,814
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 6,745,374	\$ 1,150	\$ -	\$ 6,746,524

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

UTILITY NAME: Hudson Utilities, Inc.
 SYSTEM NAME / COUNTY: Hudson/Pasco

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WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$ 6,246						
352	Franchises							
353	Land and Land Rights		\$ 9,513					
354	Structure and Improvements		2,195					
355	Power Generation Equipment							
360	Collection Sewers - Force		937,958					
361	Collection Sewers - Gravity		3,581,328					
362	Special Collecting Structures							
363	Services to Customers		855,605					
364	Flow Measuring Devices		141,354					
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			535,705				
371	Pumping Equipment			509,662				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment & Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipment	6,298						36,014
390	Office Furniture & Equipment							111,003
391	Transportation Equipment							10,829
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							2,814
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 12,544	\$ 5,527,953	\$ 1,045,367	\$ -	\$ -	\$ -	\$ 160,660

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
351	Organization	10	%	10.00 %
352	Franchises		%	%
354	Structure and Improvements	27	%	3.70 %
355	Power Generation Equipment		%	%
360	Collection Sewers - Force	30	%	3.33 %
361	Collection Sewers - Gravity	40	%	2.50 %
362	Special Collecting Structures		%	%
363	Services to Customers	38	%	2.63 %
364	Flow Measuring Devices	5	%	20.00 %
365	Flow Measuring Installations		%	%
366	Reuse Services		%	%
367	Reuse Meters and Meter Installations		%	%
370	Receiving Wells	25	%	4.00 %
371	Pumping Equipment	18	%	5.56 %
374	Reuse Distribution Reservoirs		%	%
375	Reuse Transmission and Distribution System		%	%
380	Treatment & Disposal Equipment		%	%
381	Plant Sewers		%	%
382	Outfall Sewer Lines		%	%
389	Other Plant / Miscellaneous Equipment	15	%	6.67 %
390	Office Furniture & Equipment	15	%	6.67 %
391	Transportation Equipment	6	%	16.67 %
392	Stores Equipment		%	%
393	Tools, Shop and Garage Equipment	15	%	6.67 %
394	Laboratory Equipment		%	%
395	Power Operated Equipment		%	%
396	Communication Equipment		%	%
397	Miscellaneous Equipment	15	%	6.67 %
398	Other Tangible Plant		%	%
Wastewater Plant Composite Depreciation Rate *			%	%

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

UTILITY NAME: Hudson Utilities, Inc.

SYSTEM NAME / COUNTY: Hudson/Pasco

YEAR OF REPORT
December 31, 2002

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCUALS (d)	OTHER CREDITS(1) (e)	TOTAL CREDITS (d + e) (f)
351	Organization	\$ 6,246	\$ -	\$ -	\$ -
352	Franchises				
354	Structure and Improvements	1,151	81		81
355	Power Generation Equipment				
360	Collection Sewers - Force	389,213	24,004		24,004
361	Collection Sewers - Gravity	496,360	83,594		83,594
362	Special Collecting Structures				
363	Services to Customers	118,223	22,516		22,516
364	Flow Measuring Devices	88,620	10,081		10,081
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	154,645	21,428		21,428
371	Pumping Equipment	175,080	28,314		28,314
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment (2)	1,879	229		229
390	Office Furniture & Equipment	32,263	1,159		1,159
391	Transportation Equipment	36,984	16,526		16,526
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	7,179	603		603
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment	5,849	137		137
398	Other Tangible Plant(2)				
Total Depreciable Wastewater Plant in Service		\$ 1,513,692	\$ 208,672	\$ -	\$ 208,672

* Specify nature of transaction.

Use () to denote reversal entries.

Notes: (1) Prior year over accrual for depreciation.

(2) Reclassification of current year expense to proper Naruc account. See Schedule S-6(b).

S-6(a)

GROUP 1

UTILITY NAME: Hudson Utilities, Inc.
 SYSTEM NAME / COUNTY: Hudson/Pasco

YEAR OF REPORT
 December 31, 2002

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED(1) (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (k)
351	Organization	\$ -	\$ -	\$ -	\$ -	6,246
352	Franchises					
354	Structure and Improvements					1,232
355	Power Generation Equipment					
360	Collection Sewers - Force					413,217
361	Collection Sewers - Gravity					579,954
362	Special Collecting Structures					
363	Services to Customers					
364	Flow Measuring Devices					140,739
365	Flow Measuring Installations					98,701
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					
371	Pumping Equipment					176,073
374	Reuse Distribution Reservoirs					203,394
375	Reuse Transmission and Distribution System					
380	Treatment & Disposal Equipment					
381	Plant Sewers					
382	Outfall Sewer Lines					
389	Other Plant / Miscellaneous Equipment					2,108
390	Office Furniture & Equipment					33,422
391	Transportation Equipment					53,510
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					7,782
394	Laboratory Equipment					
395	Power Operated Equipment					
396	Communication Equipment					
397	Miscellaneous Equipment					5,986
398	Other Tangible Plant	(1,597)			(1,597)	
	Total Depreciable Wastewater Plant in Service	\$ (1,597)	\$ -	\$ -	\$ (1,597)	\$ 1,722,364

Note (1): Reclassification to proper Naruc account.

UTILITY NAME: Hudson Utilities, Inc.
 SYSTEM NAME / COUNTY: Hudson/Pasco

YEAR OF REPORT
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WASTEWATER CIAC SCHEDULE "A"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY, MAIN
EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity Charges: Residential	25	\$ 1,000	\$ 25,000
Residential	1	2,400	2,400
3/4"	2	\$5.78 per Gallon	19,743
1 1/2"	1	\$5.78 per Gallon	5,000
2"	1	\$5.78 per Gallon	16,028
Total Credits			\$ 68,171

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 637,908
Debits during year:	
Accruals charged to Account	69,072
Other Debits (specify):	
Total debits	69,072
Credits during year (specify):	
Total credits	
Balance end of year	\$ 706,980

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
WASTEWATER SALES				
Flat Rate Revenues:				
521.1	Residential Revenues			\$ -
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.6	Other Revenues			
521	Total Flat Rate Revenues			-
Measured Revenues:				
522.1	Residential Revenues	2,149	2,174	888,801
522.2	Commercial Revenues	123	125	442,505
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)			
522	Total Measured Revenues	2,272	2,299	1,331,306
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	2,272	2,299	\$ 1,331,306
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			2,531
	Total Other Wastewater Revenues			\$ 2,531

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME: Hudson Utilities, Inc.
 SYSTEM NAME / COUNTY: Hudson/Pasco

YEAR OF REPORT
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WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
Flat Rate Reuse Revenues:				
540.1	Residential Reuse Revenues			\$ -
540.2	Commercial Reuse Revenues			
540.3	Industrial Reuse Revenues			
540.4	Reuse Revenues From Public Authorities			
540.5	Other Reuse Revenues			
540	Total Flat Rate Reuse Revenues			
Measured Reuse Revenues:				
541.1	Residential Reuse Revenues			
541.2	Commercial Reuse Revenues			
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues			
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				
Total Wastewater Operating Revenues				\$ 1,333,837

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 59,904	\$ -	\$ -	\$ -	\$ -	\$ 59,904	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	82,420						
704	Employee Pensions and Benefits	9,904						
710	Purchased Sewage Treatment	407,660					407,660	
711	Sludge Removal Expense							
715	Purchased Power	13,646	13,646					
716	Fuel for Power Purchased							
718	Chemicals							
720	Materials and Supplies	16,455	2,936					
731	Contractual Services - Engineering	28,566						
732	Contractual Services - Accounting	12,088						
733	Contractual Services - Legal							
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing	39,920					6,223	
736	Contractual Services - Other	9,472		9,472				
741	Rental of Building/Real Property	42					42	
742	Rental of Equipment	8,349					8,349	
750	Transportation Expense	5,948	5,948					
756	Insurance - Vehicle	6,836	6,836					
757	Insurance - General Liability	2,383	2,383					
758	Insurance - Workmens Comp.							
759	Insurance - Other							
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	251						
767	Regulatory Commission Exp.-Other	3,750						
770	Bad Debt Expense							
775	Miscellaneous Expenses							
	Total Wastewater Utility Expenses	\$ 707,594	\$ 31,749	\$ 9,472	\$ -	\$ -	\$ 482,178	\$ -

UTILITY NAME: Hudson Utilities, Inc.
 SYSTEM NAME / COUNTY: Hudson/Pasco

YEAR OF REPORT
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WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES - OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES - MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES - OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES - MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders		82,420				
704	Employee Pensions and Benefits		9,904				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies	8,244	5,275				
731	Contractual Services - Engineering						
732	Contractual Services - Accounting		28,566				
733	Contractual Services - Legal		12,088				
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other	14,899	18,798				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expense						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workmens Comp.						
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp -Other		251				
770	Bad Debt Expense	3,750					
775	Miscellaneous Expenses						
	Total Wastewater Utility Expenses	\$ 26,893	\$ 157,302	\$ -	\$ -	\$ -	\$ -

S-10(b)
 GROUP 1

UTILITY NAME: Hudson Utilities, Inc.
 SYSTEM NAME / COUNTY: Hudson/Pasco

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CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	2,174	2,174
5/8"	Displacement	1.0		
3/4"	Displacement	1.5	100	150
1"	Displacement	2.5	6	15
1 1/2"	Displacement or Turbine	5.0	9	45
2"	Displacement, Compound or Turbine	8.0	6	48
3"	Displacement	15.0	2	30
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	1	25
4"	Turbine	30.0		
6"	Displacement or Compound	50.0	1	50
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				2,537

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

(a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$$

For wastewater only utilities:

Subtract all general use and other non-residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

NOTE: Total gallons treated includes both treated and purchased treatment

ERC Calculation: (Per Company Engineer, 173gpd versus 280gpd based on most recent FPSC rate order.)

$$\left(\frac{111,514,000}{365 \text{ days}} \right) / 173 \text{ gpd} = 1,766$$

(total gallons purchased) (1)

Note: The Company only purchased sewage treatment from Pasco County

UTILITY NAME: Hudson Utilities, Inc.
 SYSTEM NAME / COUNTY: Hudson/Pasco

YEAR OF REPORT
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WASTEWATER TREATMENT PLANT INFORMATION
 Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	N/A(3)		
Basis of Permit Capacity (1)	N/A(3)		
Manufacturer	N/A(3)		
Type (2)	N/A(3)		
Hydraulic Capacity	N/A(3)		
Average Daily Flow - GPD	305,518		
Total Gallons of Wastewater Treated - GPD	111,514,000		
Method of Effluent Disposal -		Purchased sewage - Pasco County	

- (1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit (i.e. average annual daily flow, etc)
- (2) Contact stabilization, advanced treatment, etc.
- (3) All sewage is transmitted for treatment to the Pasco County sub-regional wastewater plant; therefore, permitted capacity, basis, manufacturer, type and hydraulic capacity questions are not applicable.

UTILITY NAME: Hudson Utilities, Inc.
SYSTEM NAME / COUNTY: Hudson/Pasco

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OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate pageshould be supplied where necessary.

1. Present ERC's * that system can efficiently serve. 1,766

2. Maximum number of ERC's * which can be served. 2,165 - within the certificated service area

3. Present system connection capacity (in ERC's *) using existing lines. 1,766

4. Future system connection capacity (in ERC's *) upon service area buildo 2,165

5. Estimated annual increase in ERC's 100

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. The Company plans construction to begin in late 2003 and continue through 2004 for the extension of the collection system to meet current and projected customer growth demand in the certificated service area, depending on its ability to obtain financing.

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known. N/A

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? N/A
If so, when? N/A

9. Has the utility been required by the DEP or water management district to implement reuse? No
If so, what are the utility's plans to comply with the DE N/A

10. When did the company last file a capacity analysis report with the DEP? N/A

11. If the present system does not meet the requirements of DEP rules:
a. Attach a description of the plant upgrade necessary to meet the DEP rules.
b. Have these plans been approved by DEP? N/A
c. When will construction begin? N/A
d. Attach plans for funding the required upgrading. N/A
e. Is this system under any Consent Order othe DEf N/A

11. Department of Environmental Protection ID # N/A

* An ERC is determined based on the calculation on the bottom of Page S-11