

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

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

Do Not Remove from this Office

ANNUAL REPORT

WS090-01-AR
Commercial Utilities, Division of Grace and Company, Inc.
865 South Lane Avenue
Jacksonville, FL 32205-4420

164-S
Certificate Number(s)

Submitted To The

STATE OF FLORIDA



John A. ...
02 APR -2 AM 10:46
REGISTRATION DIVISION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2001

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added; provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems".
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

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

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

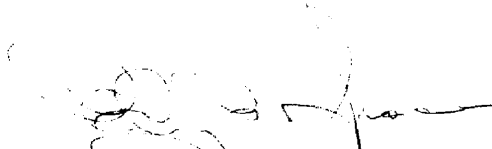
YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

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 the financial statement of the utility.

YES	NO
<input checked="" type="checkbox"/>	<input type="checkbox"/>

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 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 Chief Executive Officer of the utility) *

1.	2.	3.	4.

 (Signature of 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, 2001

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC
(Exact Name of Utility)

County: Duval

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

865 South Lane Avenue
Jacksonville, FL 32205

Telephone: (904) 781-0970

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:

Elroy C Grace, President
GRACE & COMPANY, INC
865 South Lane Avenue
Jacksonville, FL 32205
Telephone: (904) 781-0970

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

865 South Lane Avenue
Jacksonville, FL 32205

Telephone: (904) 781-0970

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

N/A

Date of original organization of the utility: April 1, 1974

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% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	Elroy C Grace	30
2.	Walter E Grace	20
3.	Forbes D Grace	20
4.	Robert B Grace	30
5.		
6.		
7.		
8.		
9.		
10.		

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. Commercial Utilities was organized on April 1, 1974 and received Public Service Commission Certificate 164-S on June 4, 1975. Prior to the existence of Commercial Utilities and PCS certification, water and wastewater treatment was available to land tenants of Grace & Company, Inc. from existing company owned water and wastewater treatment plants. Our utility growth has been determined by normal growth and by a moratorium placed by the City of Jacksonville, FL on construction of new wastewater treatment facilities. On January 18, 1991, Commercial Utilities began purchasing water from the City of Jacksonville, FL but continued to distribute the water through the existing lines. On August 8, 1992, all of the wastewater collecting lines were connected to the Atlee Street wastewater pump station belonging to the City of Jacksonville, FL; however, the responsibility of the lines and collection of wastewater remains with Commercial Utilities. By order No. PSC-97-94-FOF-WU, the commission acknowledged the exempt status of the water division and cancelled Certificate No. 219-W on January 27, 1997.

B. Wastewater

C. To provide quality wastewater service to the customers within our service area.

D. Commercial Utilities has two persons on premises to take care of line breaks, replacing of valves, etc. Major work is contracted out. Billing and contract negotiation functions are performed by two persons.

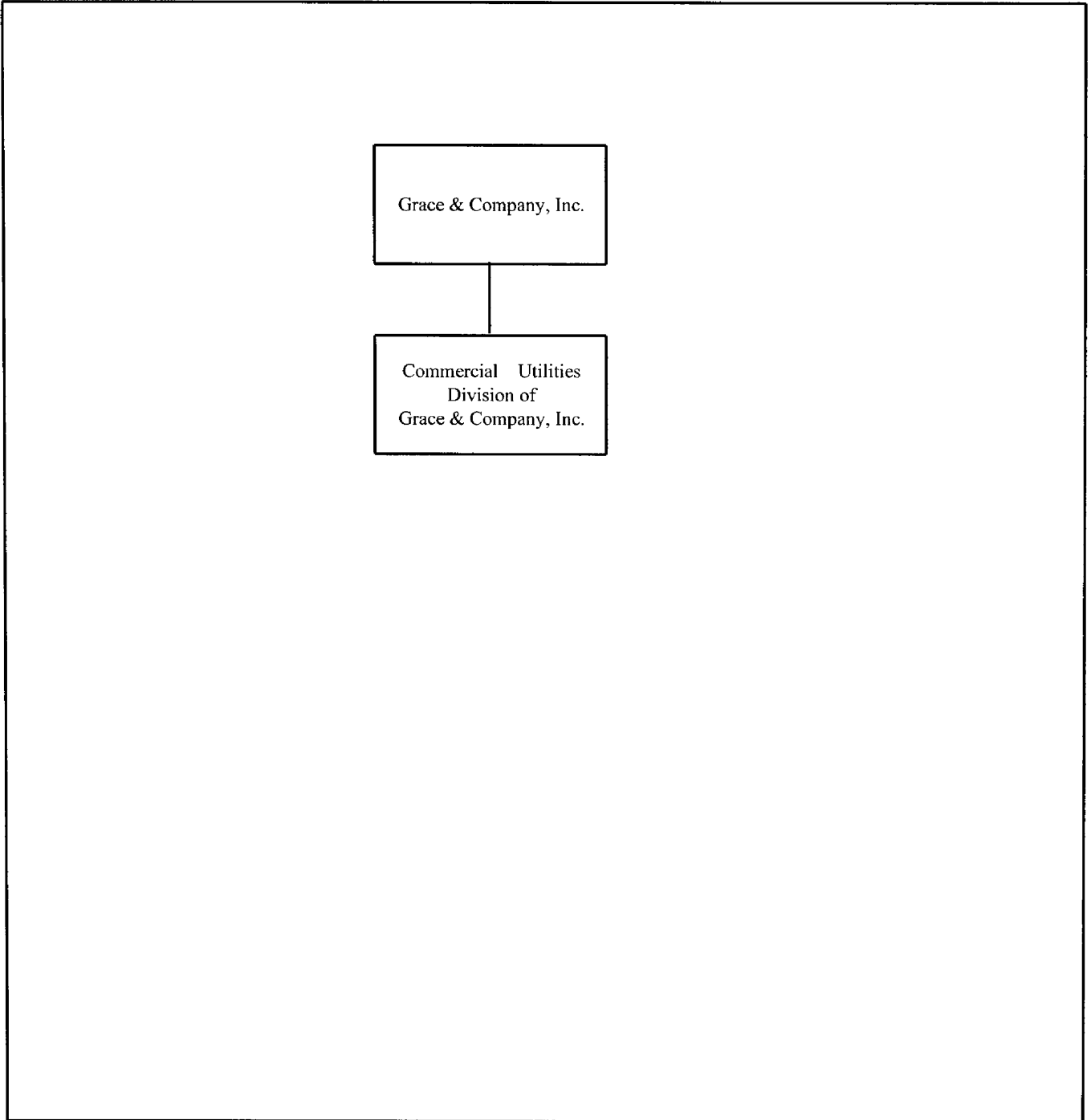
E. Currently our growth is somewhat static; however, future growth has been permitted. The City of Jacksonville, FL has recently extended their lines into property that we were led to believe was our certified territory.

F. Commercial Utilities proposes to reroute some collection lines to accomadate some land use changes.

PARENT / AFFILIATE ORGANIZATION CHART

Current as of December 31, 2001

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



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 THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Elroy C Grace	President	25.00%	\$ 28,366
Walter E Grace	Vice President	1.00%	- 0 -
Forbes D Grace	Vice President	1.00%	- 0 -
Robert B Grace	Secretary/Treasurer	1.00%	- 0 -

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
Elroy C Grace	President	12	\$ 28,366
Walter E Grace	Vice President	12	- 0 -
Forbes D Grace	Vice President	12	- 0 -
Robert B Grace	Secretary/Treasurer	12	- 0 -

FINANCIAL SECTION

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 635,276	\$ 635,276
108-110	Less: Accumulated Depreciation and Amortization	F-8	247,262	270,804
Net Plant			\$ 388,014	\$ 364,472
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 388,014	\$ 364,472
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ 127,068	\$ 127,068
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ 127,068	\$ 127,068
123	Investment In Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property & Investments			\$ 127,068	\$ 127,068
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 76,581	\$ 53,084
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 Uncollectible Accounts	F-11	4,021	739
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Material 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			\$ 80,602	\$ 53,823

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Misc. Deferred Debits	F-14	_____	_____
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		_____	_____
Total Deferred Debits			\$ _____	\$ _____
TOTAL ASSETS AND OTHER DEBITS			\$ <u>595,684</u>	\$ <u>545,363</u>

* 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)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$	\$
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			
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	123,867	49,516
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 123,867	\$ 49,516
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired 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		308	1,003
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18		
234	Notes Payable to Associated Companies	F-18	448,350	470,850
235	Customer Deposits			
236	Accrued Taxes	W/S-3	8,401	9,535
237	Accrued Interest	F-19	4,790	5,015
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
Total Current & Accrued Liabilities			\$ 461,849	\$ 486,403

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	_____	_____
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		_____	_____
Total Deferred Credits			\$ _____	\$ _____
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & 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	\$ 15,440	\$ 15,440
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(5,425)	(5,996)
Total Net C.I.A.C.			\$ 10,015	\$ 9,444
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		_____	_____
Total Accumulated Deferred Income Tax			\$ _____	\$ _____
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 595,731	\$ 545,363

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 245,939	\$ 211,898
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 245,939	\$ 211,898
401	Operating Expenses	F-3(b)	\$ 181,966	\$ 197,431
403	Depreciation Expense:	F-3(b)	\$ 12,155	\$ 12,295
	Less: Amortization of CIAC	F-22	571	571
Net Depreciation Expense			\$ 11,584	\$ 11,724
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)	11,226	11,226
408	Taxes Other Than Income	W/S-3	9,135	13,511
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
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			\$ 213,911	\$ 233,892
Net Utility Operating Income			\$ 32,028	\$ (21,994)
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)]			\$ 32,028	\$ (21,994)

* For each account, Column e should agree with Columns f, g and h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ _____	\$ 211,898	\$ _____
\$ _____	\$ 211,898	\$ _____
\$ _____	\$ 197,431	\$ _____
_____	12,295	_____
_____	571	_____
\$ _____	\$ 11,724	\$ _____
_____	11,226	_____
_____	13,511	_____
_____	_____	_____
_____	_____	_____
\$ _____	\$ 233,892	\$ _____
\$ _____	\$ (21,994)	\$ _____
_____	_____	_____
_____	_____	_____
\$ _____	\$ (21,994)	\$ _____

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 32,028	\$ (21,994)
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income		4,202	1,318
421	Nonutility Income			
426	Miscellaneous Nonutility Expenses		(1,920)	(800)
Total Other Income and Deductions			\$ 2,282	\$ 518
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	\$ 51,815	\$ 52,875
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			\$ 51,815	\$ 52,875
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$	\$
NET INCOME			\$ (17,505)	\$ (74,351)

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	\$	\$ 635,276
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8		152,930
110	Accumulated Amortization	F-8		117,875
271	Contributions In Aid of Construction	F-22		15,440
252	Advances for Construction	F-20		
Subtotal			\$	\$ 349,031
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22		5,996
Subtotal			\$	\$ 355,027
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)			24,679
	Other (Specify):			
	Per Audit of 1999 Annual Report			258,092
RATE BASE			\$	\$ 637,798
NET UTILITY OPERATING INCOME			\$	\$ (21,994)
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)				-3.45%

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (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.

**SCHEDULE OF CURRENT COST OF CAPITAL
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

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	\$ 540,584	84.76%	9.06%	7.68%
Preferred Stock				
Long Term Debt				
Customer Deposits				
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain) Grace & Co.	97,214	15.24%	9.00%	1.37%
Total	\$ 637,798	100.00%		9.05%

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

The capital structure used reflects the adjustments made in the audit of Commercial Utilities for the 1999 report.

(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.

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>10.88%</u>
Commission order approving Return on Equity:	<u>PSC-93-0233-FOF-WS</u>

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	_____ %
Commission order approving AFUDC rate:	_____

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.

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT December 31, 2001
--

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ _____	\$ 635,276	\$ _____	\$ 635,276
102	Utility Plant Leased to Other	_____	_____	_____	_____
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	\$ _____	\$ 635,276	\$ _____	\$ 635,276

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

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

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Plant Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
	Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$	\$ 140,635	\$	\$ 140,635
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$	\$ 12,295	\$	\$ 12,295
Account 108.2 (2)				
Account 108.3 (2)				
Other Accounts (specify):				
Salvage				
Other Credits (Specify):				
Total Credits	\$	\$ 12,295	\$	\$ 12,295
Debits during year:				
Book cost of plant retired				
Cost of Removal				
Other Debits (specify):				
Total Debits	\$	\$	\$	\$
Balance end of year	\$	\$ 152,930	\$	\$ 152,930
ACCUMULATED AMORTIZATION Account 110				
Balance first of year	\$	\$ 106,649	\$	\$ 106,649
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$	\$ 11,226	\$	\$ 11,226
Other Accounts (specify):				
Total credits	\$	\$ 11,226	\$	\$ 11,226
Debits during year:				
Book cost of plant retired				
Other debits (specify):				
Total Debits	\$	\$	\$	\$
Balance end of year	\$	\$ 117,875	\$	\$ 117,875

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

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT December 31, 2001
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**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
NONE	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____	_____	\$ _____

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)
UNKNOWN	\$ 127,068	\$ _____	\$ _____	\$ 127,068
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ 127,068	\$ _____	\$ _____	\$ 127,068

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): NONE	\$ _____
_____	_____
_____	_____
Total Special Deposits	\$ _____
OTHER SPECIAL DEPOSITS (Account 133): NONE	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ _____

**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 (Account 123): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE		\$ _____
_____		_____
_____		_____
_____		_____
Total Special Funds		\$ _____

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
Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ _____	
Wastewater	_____ 739	
Other	_____	
Total Customer Accounts Receivable		\$ 739
OTHER ACCOUNTS RECEIVABLE (Account 142):		
NONE	\$ _____	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ _____
NOTES RECEIVABLE (Account 144):		
NONE	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ _____
Total Accounts and Notes Receivable		\$ 739
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ _____	
Add: Provision for uncollectibles for current year	\$ _____	
Collection 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		\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 739

**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$
Total	\$

**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)	BALANCE END OF YEAR (b)
NONE	\$
Total Miscellaneous Current and Accrued Liabilities	\$

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT December 31, 2001
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**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

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): NONE	\$ _____	\$ _____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251): NONE	\$ _____	\$ _____
Total Unamortized Premium on Debt	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ _____
Total Extraordinary Property Losses	\$ _____

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1) NONE	\$ _____	\$ _____
Total Deferred Rate Case Expense	\$ _____	\$ _____
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): NONE	\$ _____	\$ _____
Total Other Deferred Debits	\$ _____	\$ _____
REGULATORY ASSETS (Class A Utilities: Account. 186.3): NONE	\$ _____	\$ _____
Total Regulatory Assets	\$ _____	\$ _____
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ _____	\$ _____

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share		%\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued		%\$
Dividends declared per share for year		%\$
PREFERRED STOCK		
Par or stated value per share		%\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued		%\$
Dividends declared per share for year		%\$

* 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)	
NONE	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

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

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. 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	\$ 123,867
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	\$ (74,351)
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	\$ _____
215	Year end Balance	\$ 49,516
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
	_____	_____
	_____	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ 49,516
Notes to Statement of Retained Earnings:		

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT December 31, 2001
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**NOTES PAYABLE
ACCOUNTS 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): NONE	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): NONE	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 234			\$

* 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)
GRACE & COMPANY, INC	\$ 470,850
Total	\$ 470,850

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC.

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

DESCRIPTION OF DEBIT (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	\$ _____			\$ _____	
Total Account 237.1	\$ _____			\$ _____	
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$ 515	427		\$ _____	515
Accrued Interest	4,275		52,875	52,650	4,500
Total Account 237.2	\$ 4,790			\$ _____	5,015
Total Account 237 (1)	\$ 4,790			\$ _____	5,015
INTEREST EXPENSED:					
Total accrual Account 237		237	52,875		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			52,875		

(1) Must agree to F-2 (a), Beginning and
Ending Balance of Accrued Interest.
(2) Must agree to F-3 (c), Current
Year Interest Expense

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC.

YEAR OF REPORT
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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
NONE	\$ _____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
NONE	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

* Report advances separately by reporting group, designating water or wastewater in column (a).

**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):		
NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ _____	\$ 15,440	\$ _____	\$ 15,440
Add credits during year:	\$ _____	\$ _____	\$ _____	\$ _____
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ _____	\$ 15,440	\$ _____	\$ 15,440

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

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ _____	\$ 5,425	\$ _____	\$ 5,425
Debits during the year:	\$ _____	\$ 571	\$ _____	\$ 571
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ _____	\$ 5,996	\$ _____	\$ 5,996

UTILITY NAME: **COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC**

YEAR OF REPORT December 31, 2001
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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 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 computations 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, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ (74,351)
Reconciling items for the year:		
Taxable income not reported on 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		\$ (74,351)

Computation of tax :

WATER OPERATING SECTION

Note: This utility is a wastewater only service; therefore, Pages W-1 through W-14 have been omitted from this report.

**WASTEWATER
OPERATION
SECTION**

UTILITY NAME: COMMERCIAL UTILITIES DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT December 31, 2001
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SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 635,276
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	152,930
110	Accumulated Amortization	F-8	117,875
271	Contributions In Aid of Construction	S-7	15,440
252	Advances for Construction	F-20	
	Subtotal		\$ 349,031
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 5,996
	Subtotal		\$ 355,027
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		24,679
	Other (Specify):		
	Balance reconciliation from Audit of 1999 Annual Report		258,092
	WASTEWATER RATE BASE		\$ 637,798
	WASTEWATER OPERATING INCOME	S-3	\$ (21,994)
	ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)		-3.45%

- NOTES : (1) Estimate based on the methodology used in the last rate proceeding.
- (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.

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT December 31, 2001
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SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ 211,898
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	
Net Operating Revenues			\$ 211,898
401	Operating Expenses	S-10(a)	\$ 197,431
403	Depreciation Expense	S-6(a)	12,295
	Less: Amortization of CIAC	S-8(a)	571
Net Depreciation Expense			\$ 11,724
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	11,226
408.10	Taxes Other Than Income		
	Utility Regulatory Assessment Fee		12,201
408.11	Property Taxes		
408.12	Payroll Taxes		
408.13	Other Taxes and Licenses		1,310
408	Total Taxes Other Than Income		\$ 13,511
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
Utility Operating Expenses			\$ 233,892
Utility Operating Income			\$ (21,994)
530	Add Back:		
	Guaranteed Revenue (and AFPI)	S-9(a)	\$
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			\$ (21,994)

YEAR OF REPORT
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UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC.

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$	\$	\$	\$
352	Franchises				
353	Land and Land Rights				
354	Structures and Improvements				
355	Power Generation Equipment				
360	Collection Sewers - Force	263,204			263,204
361	Collection Sewers - Gravity	12,226			12,226
362	Special Collecting Structures				
363	Services to Customers	2,492			2,492
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	54,246			54,246
371	Pumping Equipment				
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment	303,108			303,108
390	Office Furniture and Equipment				
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Wastewater Plant		\$ 635,276	\$	\$	\$ 635,276

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

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (b)	.3 SYSTEM PUMPING PLANT (f)	.4 TREATMENT AND DISPOSAL PLANT (f)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (i)	.7 GENERAL PLANT (k)
351	Organization							
352	Franchises							
353	Land and Land Rights							
354	Structures and Improvements							
355	Power Generation Equipment							
360	Collection Sewers - Force		263,204					
361	Collection Sewers - Gravity		12,226					
362	Special Collecting Structures		2,492					
363	Services to Customers							
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations			54,246				
370	Receiving Wells							
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment	303,108						
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 303,108	\$ 277,922	\$ 54,246	\$	\$	\$	\$

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

UTILITY NAME: COMMERCIAL UTILITIES DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

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)
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers - Force	27.00	0.00%	3.70%
361	Collection Sewers - Gravity	40.00	0.00%	2.50%
362	Special Collecting Structures			
363	Services to Customers	35.00	0.00%	2.86%
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells	25.00	0.00%	4.00%
371	Pumping Equipment			
375	Reuse Transmission and Distribution System			
380	Treatment and Disposal Equipment			
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment	27.00	0.00%	3.70%
390	Office Furniture and Equipment			
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			
394	Laboratory Equipment			
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater Plant Composite Depreciation Rate *		27.01	0.00%	3.70%

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

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

YEAR OF REPORT
December 31, 2001

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$	\$	\$	\$
355	Power Generation Equipment				
360	Collection Sewers - Force	115,107	9,748		9,748
361	Collection Sewers - Gravity	4,059	306		306
362	Special Collecting Structures				
363	Services to Customers	1,091	71		71
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	20,378	2,170		2,170
371	Pumping Equipment				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment				
390	Office Furniture and Equipment				
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 140,635	\$ 12,295	\$	\$ 12,295

* Specify nature of transaction.
Use () to denote reversal entries.

YEAR OF REPORT
December 31, 2001

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED (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-j) (k)
(a)	(b)					
354	Structures and Improvements	\$	\$	\$	\$	\$
355	Power Generation Equipment					
360	Collection Sewers - Force					124,855
361	Collection Sewers - Gravity					4,365
362	Special Collecting Structures					
363	Services to Customers					1,162
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					22,548
371	Pumping Equipment					
375	Reuse Transmission and Distribution System					
380	Treatment and Disposal Equipment					
381	Plant Sewers					
382	Outfall Sewer Lines					
389	Other Plant Miscellaneous Equipment					
390	Office Furniture and Equipment					
391	Transportation Equipment					
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					
395	Power Operated Equipment					
396	Communication Equipment					
397	Miscellaneous Equipment					
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service						\$ 152,930

* Specify nature of transaction.
Use () to denote reversal entries.

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT
December 31, 2001

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues			\$ _____
521.2	Commercial Revenues			_____
521.3	Industrial Revenues			_____
521.4	Revenues From Public Authorities			_____
521.5	Multiple Family Dwelling Revenues			_____
521.6	Other Revenues			_____
521	Total Flat Rate Revenues			\$ _____
522.1	Measured Revenues: Residential Revenues			_____
522.2	Commercial Revenues	34	34	211,898
522.3	Industrial Revenues			_____
522.4	Revenues From Public Authorities			_____
522.5	Multiple Family Dwelling Revenues			_____
522	Total Measured Revenues	34	34	\$ 211,898
523	Revenues From Public Authorities			_____
524	Revenues From Other Systems			_____
525	Interdepartmental Revenues			_____
Total Wastewater Sales		34	34	\$ 211,898
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)			_____
Total Other Wastewater Revenues				\$ _____

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

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT December 31, 2001
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SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF 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 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				\$ <u>211,898</u>

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

YEAR OF REPORT
December 31, 2001

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES- OPERATIONS (d)	.2 COLLECTION 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	18,703	12,526					
703	Salaries and Wages - Officers, Directors and Majority Stockholders	28,366						
704	Employee Pensions and Benefits	87,804					87,804	
710	Purchased Sewage Treatment							
711	Sludge Removal Expense							
715	Purchased Power	8,429					8,429	
716	Fuel for Power Purchased							
718	Chemicals							
720	Materials and Supplies							
731	Contractual Services-Engineering							
732	Contractual Services - Accounting	10,125						
733	Contractual Services - Legal							
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing							
736	Contractual Services - Other	28,710		28,710				
741	Rental of Building/Real Property	14,400						
742	Rental of Equipment							
750	Transportation Expenses							
756	Insurance - Vehicle							
757	Insurance - General Liability							
758	Insurance - Workman's Comp.							
759	Insurance - Other							
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense							
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense							
775	Miscellaneous Expenses	894						
	Total Wastewater Utility Expenses	197,431	12,526	28,710			96,233	

S-10(a)
GROUP 1

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC.

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	.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	\$ 6,177					
703	Salaries and Wages - Officers, Directors and Majority Stockholders		28,366				
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering						
732	Contractual Services - Accounting		10,125				
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other						
741	Rental of Building/Real Property		14,400				
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workman's Comp.						
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses						
767	- Amortization of Rate Case Expense						
770	Regulatory Commission Exp.-Other						
775	Bad Debt Expense		894				
775	Miscellaneous Expenses						
Total Wastewater Utility Expenses		\$ 6,177	\$ 53,785	\$	\$	\$	\$

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	4	4
3/4"	Displacement	1.5		
1"	Displacement	2.5	9	23
1 1/2"	Displacement or Turbine	5.0	9	45
2"	Displacement, Compound or Turbine	8.0	9	72
3"	Displacement	15.0	1	15
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	2	50
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
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				209

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:

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

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:

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT

December 31, 2001

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	N/A		
Basis of Permit Capacity (1)	N/A		
Manufacturer	N/A		
Type (2)	N/A		
Hydraulic Capacity	N/A		
Average Daily Flow	N/A		
Total Gallons of Wastewater Treated	N/A		
Method of Effluent Disposal	N/A		

(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.

UTILITY NAME: COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT

December 31, 2001

SYSTEM NAME / COUNTY : COMMERCIAL UTILITIES/DUVAL

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present number of ERCs* now being served Unknown
2. Maximum number of ERCs* which can be served Unknown
3. Present system connection capacity (in ERCs*) using existing lines Unknown
4. Future connection capacity (in ERCs*) upon service area buildout Unknown
5. Estimated annual increase in ERCs* Depends on Commercial Growth in the Area
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
N/A
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? NO
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 this requirement? 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. N/A
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading. _____
 - e. Is this system under any Consent Order with DEP? _____
12. Department of Environmental Protection ID # PWS-1D2160226

* An ERC is determined based on the calculation on S-11.