

ANNUAL REPORT

OF

WS090-02-AR
Commercial Utilities, Division of Grace and Company, Inc.

865 South Lane Avenue
Jacksonville, FL 32205-4420

 \mathbb{C}

Submitted To The

STATE OF FLORIDA



03 APR -2 AHII: 07

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

Form PSC/WAW 3 (Rev. 12/99)

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EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

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 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 the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.
		1. X	Items Certified 2. 3. 4. X X X (Signature of Chief Executive Officer of the utility) * 2. 3. 4. (Signature of Chief Financial Officer of the utility) *

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.

^{*} 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.

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2002

COMMERCIAL	UTILITIES, DIV. OF GRACE	& COMPANY, INC	County:	Duval
	(Exact Name of U		•	
List below the exa	act mailing address of the utilit	y for which normal correspor	ndence should be sent:	
865 South	Lane Avenue			
	lle, FL 32205	THE CONTRACT OF THE CONTRACT O		
Telephone:	(904) 781-0970			
E Mail Address:	N/A			
WEB Site:	N/A			
Sunshine State Or	ne-Call of Florida, Inc. Membe	er Number	N/A	
Name and address	of person to whom correspon	dence concerning this report	should be addressed:	
	race, President		No. 5 No. 1	
Control of the Contro	k COMPANY, INC			
	Lane Avenue		e desirable destrucció destructura describent de la la franció del comunicat de manuel de manuel de constitució de comunicat de comunic	
	lle, FL 32205	PETERS OF THE SECOND STATE		
Telephone:	(904) 781-0970			
List below the add	dress of where the utility's book	ks and records are located:		
865 South	Lane Avenue			
	lle, FL 32205		and the second state of th	THE PROPERTY OF THE PROPERTY OF THE WORLD BY A PARTY OF THE PROPERTY OF THE PR
Telephone:	(904) 781-0970			
List below any gro	oups auditing or reviewing the	records and operations:		
NT/A				
N/A				
		PETERS A PETER SE CONTROL OF THE PETERS OF T		
Date of original or	ganization of the utility:	April 1, 1974		
_		The second secon		
Check the appropr	riate business entity of the utili	ty as filed with the Internal R	evenue Service	
Indivi	dual Partnership S		Corporation	
] [] [_	X	j	
T 1 4 1 1		1 11 1 1 1 1 1 1		4,4
of the utility:	orporation or person owning of	or notating directly or indirect	ly 5% or more of the voting s	ecurities
of the utility.				Percent
		Name		Ownership
1.	Elroy C Grace	rume		- <u>Switching</u> 30
2.	Walter E Grace	Melitako martinda makan ma		20
3.	Forbes D Grace	199771 - 274 - 11 - 5 - 14 - 14 - 14 - 14 - 14 - 14		20
4.	Robert B Grace			30
5.				
6.		THE RESERVE OF THE PARTY OF THE		
7.			THE REPORT OF THE PROPERTY OF	
8.				A
9.				
10.				THE CONTRACTOR OF THE CONTRACT

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
Elroy C Grace	President	Grace & Company, Inc	General Regulatory Matters
Norman F Mears	Consultant	Rhema Business Services, Inc.	General Regulatory Matters
		·	

- (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.

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, IN

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. Commmercial 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 tennants 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

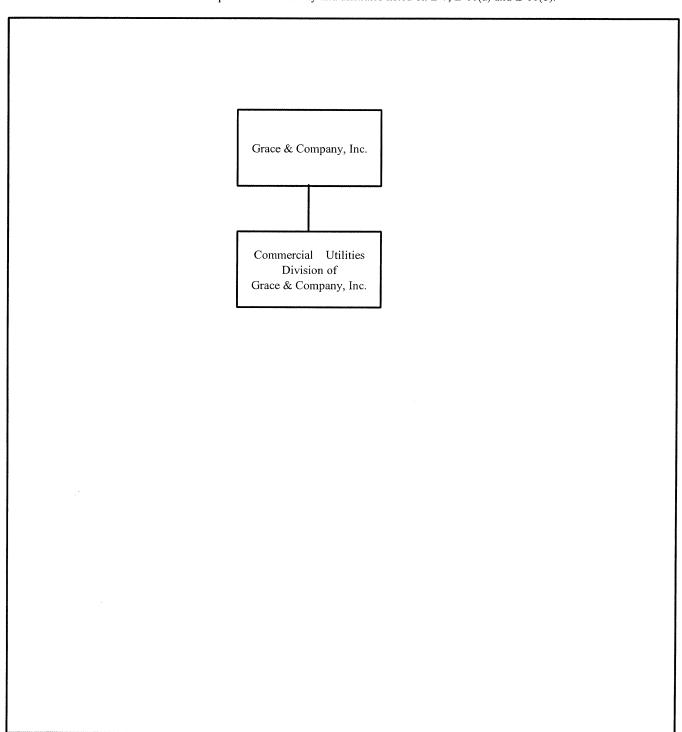
UTILITY NAME:

- 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, 2002

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

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Elroy C Grace	President	(0)	(4)
, and the second		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 -
			·
	and the first of the Committee of the Co	abol 1 - monocolofina filologica (bibliogica discolori grando e e e e e e e e e e e e e e e e e e e	

COMPENSATION OF DIRECTORS

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 -

UTILITY NAME:

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or 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	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
N/A	N/A \$	N/A	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:

December 31, 2002

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business 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.

	PRINCIPLE		T
NAME (a)	OCCUPATION OR BUSINESS AFFILIATION	AFFILIATION OR CONNECTION	NAME AND ADDRESS OF AFFILIATION OR CONNECTION
Elroy C Grace	(b)	(c)	(d)
	Grace & Company	President	Grace & Company, Inc. 865 South Lane Ave. Jacksonville, FL 32205
Forbes D Grace	Commercial Utilities	Co-Owner Service Director	Grace & Company, Inc. 865 South Lane Ave. Jacksonville, FL 32205
Walter E Grace	Grace & Company	Director	Grace & Company, Inc. 865 South Lane Ave. Jacksonville, FL 32205
Robert B Grace	Grace & Company	Director	Grace & Company, Inc. 865 South Lane Ave. Jacksonville, FL 32205
L			

YEAR OF REPORT December 31, 2002

BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT-PRODUCT RESULT OF PROVIDING WATER OR WASTEWATER SERVICE

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 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, Complete the following for any business which is conducted as a byproduct, coproduct, or joint product as a result of providing water and / or wastewater service. revenue and expenses segregated out as nonutility also.

	ASSETS		REVENUES	S	EXPENSES	
BUSINESS OR SERVICE CONDUCTED (a)	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED	ACCOUNT NUMBER
N/A	\$ N/A		8 N/A		8 N/A	N/A
	The state of the s			-		
		PROPERTY OFFICE IS A SALES ASSESSMENT OF THE SALES ASS				
	***************************************	T. Albania				
	T			ergene Liche		
					The second secon	
		and the second s				

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any on 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, and 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
 - -computer services
 - -engineering & construction services
 - -repairing and servicing of equipment
- -material and supplies furnished
- -leasing of structures, land, and equipment
- -rental transactions
- -sale, purchase or transfer of various products

	DESCRIPTION	CONTRACT OR		UAL CHARGES
NAME OF COMPANY OR RELATED PARTY (a)	SERVICE AND/OR NAME OF PRODUCT (b)	AGREEMENT EFFECTIVE DATES (c)	(P)urchased (S)old (d)	AMOUNT (e)
Grace & Company, Inc	Management & Administrative Oversite	Open	P	\$ 18,703
Grace & Company, Inc	Rent of Property	Open	P	\$ 14,400
				TO THE CONTROL AND A STATE OF THE PROPERTY OF THE CONTROL OF THE C
				11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
				1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
was wat sale constitution also he				

YEAR OF REPORT December 31, 2002

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Slemental	FAIR MARKET VALUE (f) N/A	
d or transferred. se with "P" and sale with "S' . (column (c) - column (d)) . In space below or in a supp market value.	(e) (c) (c) (d) (d) (d) (d) (d) (d) (d) (d) (d) (d	
 18: Sale, Purchase and Transfer of Assets The columnar instructions follow: (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 reported. (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. 	NET BOOK VALUE (d) \$ N/A	
Specific Instructions: Sale, Purchase and Transfer of Assets 3. The columnar instructions follow: (a) Enter name of related party or company. (b) Describe briefly the type of assets purch (c) Enter the total received or paid. Indicate (d) Enter the net book value for each item re (e) Enter the net profit or loss for each item re (f) Enter the fair market value for each item schedule, describe the basis used to calculate.	SALE OR PURCHASE PRICE (c)	The state of the s
Part II. Isactions to include: nent nd structures ties c dividends	DESCRIPTION OF ITEMS (b) N/A	
Enter in this part all transactions relating to the purchase, sale, or transfer of assets. Below are examples of some types of transactions to include: 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 transfers of assets -noncash dividends other than stock dividends -write-off of bad debts or loans	NAME OF COMPANY OR RELATED PARTY (a)	
- 2	N/A	

FINANCIAL SECTION

COMPARATIVE BALANCE SHEET ASSETS AND OTHER DEBITS

ACCT.	ASSETS AND OTH	REF.	Ť	PREVIOUS	CUDDENT
NO.	ACCOUNT NAME	PAGE		YEAR	CURRENT
(a)	(b)	(c)	1	(d)	YEAR
(-/	UTILITY PLANT		+	(u)	(e)
101-106	Utility Plant	F-7	¢	635,276	\$ 722,086
108-110	Less: Accumulated Depreciation and Amortization	F-8	T	270,804	294,593
	2000 Accountance Deproduction and Amortization		┼─	270,004	254,353
	Net Plant		\$	364,472	\$ 427,493
114-115	Utility Plant Acquisition adjustment (Net)	F-7	├		
116 *	Other Utility Plant Adjustments	F-/	-		
110	Other Othing Flant Adjustments		\vdash		
	Total Net Utility Plant		\$	364,472	\$ 427,493
	OTHER PROPERTY AND INVESTMENTS		1		
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		0	
124	Utility Investments	F-10		0	
125	Other Investments	F-10		0	TARREST TO COLUMN TO ANNUAL TO ANNUA
126-127	Special Funds	F-10		0	
	Total Other Property & Investments		\$	127,068	\$127,068
	CURRENT AND ACCRUED ASSETS				
131	Cash		\$	53,084	\$ 114,832
132	Special Deposits	F-9		0	
133	Other Special Deposits	F-9		0	
134	Working Funds				
135	Temporary Cash Investments			The state of the s	Control of the State of the Sta
141-144	Accounts and Notes Receivable, Less Accumulated				
	Provision for Uncollectible Accounts	F-11		739	1,637
145	Accounts Receivable from Associated Companies	F-12		0	
146	Notes Receivable from Associated Companies	F-12		0	- TO THE STATE OF
151-153	Material and Supplies				WARNI MA
161	Stores Expense				The second secon
162	Prepayments		Matahanan		Action to Action and the second secon
171	Accrued Interest and Dividends Receivable				Middle and a second property of the second party of the second par
172 *	Rents Receivable		*****		
173 *	Accrued Utility Revenues			The Substitute of the Substitu	
174	Misc. Current and Accrued Assets	F-12			
	Total Current and Accrued Assets		\$	53,823	\$116,469

^{*} 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)
181	DEFERRED DEBITS Unamortized Debt Discount & Expense	F-13		(C)
182	Extraordinary Property Losses	F-13		
183 184	Preliminary Survey & Investigation Charges Clearing Accounts			
185 * 186	Temporary Facilities Misc. Deferred Debits	T 14		
187 *	Research & Development Expenditures	F-14		Management (1997) - 1997 (1997
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits	\$	3	\$
	TOTAL ASSETS AND OTHER DEBITS		545,363	\$671,030

^{*} Not Applicable for Class B Utilities

The space	NOTES TO THE I	BALANCE SHEET tant notes regarding the bal	lance sheet.	

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

UTILITY NAME:

COMPARATIVE BALANCE SHEET EQUITY CAPITAL AND LIABILITIES

ACCT.	EQUITY CAPITAL AN	REF.	PREVIOUS	CURRENT
NO.	ACCOUNT NAME	PAGE	YEAR	
(a)	(b)	(c)	(d)	YEAR
(")	EQUITY CAPITAL		(u)	(e)
201	Common Stock Issued	F-15 \$		t.
204	Preferred Stock Issued	F-15	P. (13) 1881 (10) (10) (10) (10) (10) (10) (10) (10	P
202,205 *	Capital Stock Subscribed	1 10	The second secon	
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock		AND POLICE AND ADDRESS OF THE ACCUSAGE AND ADDRESS OF THE PARTY AND ADDRESS AND ADDRESS.	
210 *	Gain on Resale or Cancellation of Reacquired		7 (PP N .) (N .) (N .) (N .)	
	Capital Stock			
211	Other Paid - In Capital			
212	Discount On Capital Stock			
213	Capital Stock Expense			. W. C.
214-215	Retained Earnings	F-16	49,516	1,086
216	Reacquired Capital Stock		The state of the s	
218	Proprietary Capital			many prompts decomposition of the second sec
	(Proprietorship and Partnership Only)			
The state of the s	Total Equity Capital	\$.	49,516	51,086
	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	\$ _		3
	CURRENT AND ACCRUED LIABILITIES			
231	Accounts Payable		1,003	4,179
232	Notes Payable .	F-18		
233	Accounts Payable to Associated Companies	F-18		The state of the s
234	Notes Payable to Associated Companies	F-18	470,850	643,421
235	Customer Deposits		515	515
236	Accrued Taxes	W/S-3	9,535	10,456
237	Accrued Interest	F-19	4,500	2,500
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest		STV WAS ALLEST OF THE STREET	
241	Miscellaneous Current & Accrued Liabilities	F-20		
	Total Current & Accrued Liabilities	\$	486,403 \$	661,071

^{*} Not Applicable for Class B Utilities

COMPARATIVE BALANCE SHEET EQUITY CAPITAL AND LIABILITIES

ACCT.	EQUITY CAPITAL AND			
NO.	ACCOUNT NAME	REF.	PREVIOUS	CURRENT
(a)	(b)	PAGE	YEAR	YEAR
(4)	DEFERRED CREDITS	(c)	(d)	(e)
251	Unamortized Premium On Debt	F 12		1.
252	Advances For Construction	F-13	D	\$
253	Other Deferred Credits	F-20	Commence of the commence of th	Marie Committee of the Control of th
255	Accumulated Deferred Investment Tax Credits	F-21		
233	Accumulated Defended investment Tax Credits			
	Total Deferred Credits		\$	\$
	OPERATING RESERVES			
261	Property Insurance Reserve		\$	¢
262	Injuries & Damages Reserve		Y	P
263	Pensions and Benefits Reserve		CONTROL OF THE CONTRO	
265	Miscellaneous Operating Reserves		The state of the s	
	Total Operating Reserves		\$	\$
l	CONTRIBUTIONS IN AID OF CONSTRUCTION			
271	Contributions in Aid of Construction	F-22	\$ 15,440	\$ 15,440
272	Accumulated Amortization of Contributions			77000 1111
<u> </u>	in Aid of Construction	F-22	(5,996)	(6,567)
	Total Net C.I.A.C.		\$9,444	\$8,873
	ACCUMULATED DEFERRED INCOME TAXES			
281	Accumulated Deferred Income Taxes -			
	Accelerated Depreciation		\$	s I
282	Accumulated Deferred Income Taxes -		The second secon	The second section of the second seco
	Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other		The second section of the sect	- The second sec
	Total Accumulated Deferred Income Tax		\$	\$
	TOTAL EQUITY CAPITAL AND LIABILITIES		545,363	\$671,030

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)		PREVIOUS YEAR (d)	CURRENT YEAR * (e)
400 469, 530	UTILITY OPERATING INCOME Operating Revenues Less: Guaranteed Revenue and AFPI	F-3(b) F-3(b)	\$	211,898	\$ 232,362
	Net Operating Revenues		\$	211,898	\$ 232,362
401	Operating Expenses	F-3(b)	\$	197,431	\$ 190,078
403	Depreciation Expense: Less: Amortization of CIAC	F-3(b) F-22	\$	12,295 571	\$ 12,563 571
	Net Depreciation Expense	ĺ	\$	11,724	\$ 11,992
406 407 408 409 410.10 410.11 411.10 412.10 412.11	Amortization of Utility Plant Acquisition Adjustment Amortization Expense (Other than CIAC) Taxes Other Than Income Current Income Taxes Deferred Federal Income Taxes Deferred State Income Taxes Provision for Deferred Income Taxes - Credit Investment Tax Credits Deferred to Future Periods Investment Tax Credits Restored to Operating Income	F-3(b) F-3(b) W/S-3 W/S-3 W/S-3 W/S-3 W/S-3 W/S-3 W/S-3		11,226 13,511	11,226 11,760
	Utility Operating Expenses		\$	233,892	\$ 225,056
	Net Utility Operating Income		\$	(21,994)	\$ 7,306
469, 530 413 414 420 Total Utility	Add Back: Guaranteed Revenue and AFPI Income From Utility Plant Leased to Others Gains (losses) From Disposition of Utility Property Allowance for Funds Used During Construction y Operating Income [Enter here and on Page F-3(c)]	F-3(b)	S	(21,994)	\$ 7,306

^{*} For each account, Column e should agree with Cloumns 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)
(\$ 232,362	\$
\$	\$ 232,362	\$
\$	\$ 190,078	\$
	12,563 571	
\$	11,992	\$
	11,226 11,760	
φ	225,056	\$
p p	223,030	Þ
\$\$	7,306	\$
\$\$	7,306	\$

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT.	ACCOUNT NAME	REF. PAGE	P	REVIOUS YEAR	CURRENT YEAR
(a)	(b)	(c)		(d)	(e)
	Total Utility Operating Income [from page F-3(a)]		\$	(21,994)	\$ 7,306
415	OTHER INCOME AND DEDUCTIONS Revenues-Merchandising, Jobbing, and Contract Deductions		\$		\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			. 10 100 1 10 20 1	
419	Interest and Dividend Income			1,318	264
421	Nonutility Income				
426	Miscellaneous Nonutility Expenses			(800)	0
	Total Other Income and Deductions		\$	518	\$ 264
	TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income	i	\$		\$
409.20	Income Taxes				EPERABULAN TAKE IN THE STATE OF
410.20	Provision for Deferred Income Taxes				165 (0044) (0044)
411.20	Provision for Deferred Income Taxes - Credit				A CONTRACTOR OF THE PROPERTY O
412.20	Investment Tax Credits - Net				THE PERSONNEL AND AND ADDRESS OF THE PERSONNEL AND ADDRESS OF THE PERSONNE
412.30	Investment Tax Credits Restored to Operating Income				
	Total Taxes Applicable To Other Income		\$		\$
	INTEREST EXPENSE				
427	Interest Expense	F-19	\$	52,875	\$ 56,000
428	Amortization of Debt Discount & Expense	F-13			
429	Amortization of Premium on Debt	F-13			
	Total Interest Expense		\$	52,875	\$56,000
	EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	ļ	\$
434	Extraordinary Deductions		***************************************	THE RELEASE OF THE PARTY OF THE	
409.30	Income Taxes, Extraordinary Items				
	Total Extraordinary Items		\$		\$
	NET INCOME		\$	(74,351)	\$(48,430)

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	\$	\$ 722,086
	Less:			
	Nonused and Useful Plant (1)	who do show the company of the shift density and shows		
108	Accumulated Depreciation	F-8		165,492
110	Accumulated Amortization	F-8	# N. T	129,101
271	Contributions In Aid of Construction	F-22		15,440
252	Advances for Construction	F-20		
	Subtotal		\$	\$ 412,053
	Add:			
272	Accumulated Amortization of			
	Contributions in Aid of Construction	F-22		6,567
	Subtotal		\$	\$ 418,620
	Plus or Minus:	T		
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of	armed from the control of the advantage of the con-		TOTAL PROPERTY OF A CONTROL OF THE A STATE OF THE ASSESSMENT OF TH
	Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		1 25 T 26 10 10 10 10 10 10 10 10 10 10 10 10 10	23,760
	Other (Specify):		The second secon	Mark of the second state of
				TOTAL SERVICE MADE FOR SEA AND ADMINISTRATION OF THE SERVICE AND ADMINISTR
	RATE BASE	,	\$	\$ 442,380
	NET UTILITY OPERATING INCOME		\$	\$
AC	CHIEVED RATE OF RETURN (Operating Income / Rate Bas	e)		1.65%

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:

YEAR OF REPORT December 31, 2002

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 Preferred Stock Long Term Debt Customer Deposits Tax Credits - Zero Cost Tax Credits - Weighted Cost Deferred Income Taxes Other (Explain) Grace & Co.	\$ 172,666	39.03%	9.06%	3.54% 5.49%
Total	\$ 442,380	100.00%		9.02%

(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			
Curre	nt Commission Return on Equity: 10.88%			
Comn	nission order approving Return on Equity: PSC-93-0233-FOF-WS			
	APPROVED AFUDC RATE COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR			
Currei	nt Commission Approved AFUDC rate: %			
Comm	nission 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.

YEAR OF REPORT December 31, 2002

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

UTILITY NAME:

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING

				ON LAIRN IGUA	DVIIG	
CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON- JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity Preferred Stock Long Term Debt Customer Deposits Tax Credits - Zero Cost Tax Credits - Weighted Cost Deferred Inc. Taxes Other (Explain) Grace & Co.	\$ 1,086			\$ 171,580	\$	\$ 172,666
Total	\$ 644,507		\$	\$ (202,127)	8	442,380

(1) Explain below all adjustments made in Columns (e) and (f):
Audit of 1999 Report yielded adjustments to the Capital Structure of Commercial Utilities. The specific adjustment reflect the change to the rate base capital indicated in that report and results of rate base capital transactions through the end of the current year. Additional advances amounting to \$205,350 were made during 2002.

UTILITY NAME:

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

UTILITY PLANT ACCOUNTS 101 - 106

ACCT.	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
	Plant Accounts:				
101	Utility Plant In Service	\$	\$ 722,086	\$	\$ 722,086
102	Utility Plant Leased to Other				
103	Property Held for Future Use			** FERRET COLOR FOR A COLOR AND A STANDARD COMMENT COMMENT COMMENT COLOR	
104	Utility Plant Purchased or Sold	The second secon		The separation of a part of the separation of th	TO THE RESIDENCE OF THE PARTY O
105	Construction Work in Progress		MPU TYLLIA		
106	Completed Construction Not Classified				
	Total Utility Plant	\$	\$722,086	\$	\$

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

UTILITY NAME:

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

ACCUMULATED DEP	T T		oo jand An	OTHER THAN	
				REPORTING	
DESCRIPTION	WATER	WA	STEWATER	SYSTEMS	TOTAL
(a)	(b)		(c)	(d)	(e)
ACCUMULATED DEPRECIATION					
Account 108	1				
Balance first of year	\$	\$	152,929	\$	\$ 152,929
Credit during year:	1				
Accruals charged to:		l			
Account 108.1 (1)	<u> </u>	\$	12,563	\$	\$ 12,563
Account 108.2 (2)					
Account 108.3 (2)					
Other Accounts (specify):					
Calara					
Salvage Other Credits (Specify):		er i			AND A STREET, A COMPANY OF THE STREET, AND A TOTAL PROPERTY OF THE STREET, AND A STREE
Omer Credits (Specify):					
Total Credits	\$	8	12,563	\$	\$ 12,563
Debits during year:		Ť	12,505		12,303
Book cost of plant retired					
Cost of Removal					THE REPORT OF THE PARTY OF THE
Other Debits (specify):	***************************************				
(epteny).					
Total Debits	\$	\$		\$	\$
Balance end of year	\$	\$	165,492	\$	\$165,492
ACCUMULATED AMORTIZATION		\top			
Account 110		İ			
Balance first of year	\$	s	117,875	8	\$ 117,875
Credit during year:					111,570
Accruals charged to:					
	\$	\$		\$	\$
Account 110.2 (2)	Man of the second secon		11,226		11,226
Other Accounts (specify):			THE PARTY OF THE P		
Total credits	\$	\$	11,226	\$	\$ 11,226
Debits during year:					
Book cost of plant retired	***************************************		THE CONTRACTOR OF SECURITY PROPERTY OF THE SECURITY SECUR		
Other debits (specify):					
Total Debits	\$	\$		\$	\$
Balance end of year	\$	\$	129,101	s	\$ 129,101_
	Property van and design and design as a second as a se	- [The second secon
			· · · · · · · · · · · · · · · · · · ·	1	

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

ENDING YEAR

UTILITY NAME:

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

REGULATORY COMMISSION EXPENSE AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)

		EXPENSE	CHARGED OFF DURING YEAR		
	DESCRIPTION OF CASE (DOCKET NO.) (a)	INCURRED DURING YEAR (b)	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.

BEGINNING DESCRIPTION ADDITIONS REDUCTIONS YEAR

DESCRIPTION (a)	YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	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: NONE	: Account 127):	\$
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)	snourd be noted marvid	uany.	TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):			(b)
Water	\$		
Wastewater		1,637	
Other		*** *** * 1 AMERICAN CAN BE SAY .	
Total Customer Accounts Receivable		¢	1 627
OTHER ACCOUNTS RECEIVABLE (Account 142):		Φ	1,637
NONE	\$		
		The second secon	
Total Other Accounts Receivable	······································	¢	
NOTES RECEIVABLE (Account 144):		Φ	
NONE	s		
	7 - 11-100 to - 10-10	777 2784 2 4 4 4	
Total Notes Receivable		\$	
Total Accounts and Notes Receivable		\$	1,637
ACCUMULATED PROVISION FOR			
UNCOLLECTIBLE ACCOUNTS (Account 143)			
Balance first of year Add: Provision for uncollectibles for current year	\$		
Collection of accounts previously written off	5		
Utility Accounts		P. Calabert and Marie Co.	
Others		The state of the s	

	ANNA DEL SELECTION DE LA SELEC		
Total Additions	\$		
Deduct accounts written off during year:	The state of the s		
Utility Accounts			
Others		100000000000000000000000000000000000000	
Of the contract of the contrac			
Total accounts written off	\$		
Balance end of year		\$	
TOTAL ACCOUNTS AND NOTES RECEIVABLE	E - NET	\$	1,637

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES ACCOUNT 145

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES ACCOUNT 146

MISCELLANEOUS CURRENT AND ACCRUED ASSETS ACCOUNT 174

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

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

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		March and december of the second seco
Shares issued and outstanding		
Total par value of stock issued	%	\$
Dividends declared per share for year	9/0	\$
PREFERRED STOCK		
Par or stated value per share	%	\$
Shares authorized	Was classes and an analysis of the second se	The second secon
Shares issued and outstanding	- The state of the	
Total par value of stock issued	%	3
Dividends declared per share for year	%	\$
		The state of the s

^{*} Account 204 not applicable for Class B utilities.

BONDS ACCOUNT 221

	INTEREST		PRINCIPAL
DESCRIPTION OF OBLIGATION	ANNUAL	FIXED OR	AMOUNT PER
(INCLUDING DATE OF ISSUE AND DATE OF MATURITY)	RATE	VARIABLE *	BALANCE SHEET
(a)	(b)	(c)	(d)
NONE	%		\$
	%	The second secon	The state of the s
11 V 20 1 1 1 V 1 1 2 6 1 data	%	-	The state of the s
	%	1890 1810 1810 1810	PPI PRI ANNOUNCE - MARKET - LANDON - LA
	%		The state of the s
	%	March Miller and the control of the	V1 11 district
	0/d	The state of the s	· · · · · · · · · · · · · · · · · · ·
77 (F) Schills (Schille Schille Schill	0/2	The second section of the second section is a second section of the section o	
	0/3		
			THE PROPERTY AND AND ADDRESS OF THE PARTY OF
	l		
Total			ф
10(a)			

^{*} 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	\$ 49,516
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	\$ (48,430)
436	Appropriations of Retained Earnings:	(10, 150)
1 1	Total Appropriations of Retained Earnings	ď
	Dividends Declared:	Ī
437	Preferred Stock Dividends Declared	MARK COLOR OF THE
438	Common Stock Dividends Declared	
	Total Dividends Declared	\$
215	Year end Balance	\$1,086
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	
214	Total Appropriated Retained Earnings	\$
Total Reta	ained Earnings	\$1,086_
Notes to S	Statement of Retained Earnings:	

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

ADVANCES FROM ASSOCIATED COMPANIES ACCOUNT 223

Report each advance separately.

	,
DESCRIPTION (a)	TOTAL (b)
NONE	\$
	THE RESERVE AND PROPERTY AND ADDRESS AND A
	30 da
	Selfer Selfer Self Selfer Self
	Was included and a common or common party and distributions on a resolution of a second section of
Total	
Total	S Property and a second

OTHER LONG-TERM DEBT ACCOUNT 224

	II	NTEREST	PRINCIPAL
DESCRIPTION OF OBLIGATION	ANNUAL	FIXED OR	AMOUNT PER
(INCLUDING DATE OF ISSUE AND DATE OF MATURITY)	RATE	VARIABLE *	BALANCE SHEET
(a)	(b)	(c)	(d)
NONE	%		\$
	%	7915 Bib. shows a 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1	The second secon
	%	Control of the Contro	Microsophica and the filters of relative specific registration for the production of the street section of the
	%	A Color Colo	The second secon
	%		CONTROL AND A VICE CONTROL OF THE CO
	%		management of the second of th
	%	The state of the s	
	%		- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1
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	%	The second consequence of the second consequ	
	%		
	%		
	%	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	1 A sold delication of the second sec
	%	and the second s	
	%	The second secon	The second secon
	%		
		The second secon	
Total			\$
			The second secon

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

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

NOTES PAYABLE ACCOUNTS 232 AND 234

		NTEREST	PRINCIPAL
DESCRIPTION OF OBLIGATION	ANNUAL	FIXED OR	AMOUNT PER
(INCLUDING DATE OF ISSUE AND DATE OF MATURITY)	RATE	VARIABLE *	BALANCE SHEET
(a)	(b)	(c)	(d)
	1		
NOTES PAYABLE (Account 232):			
NONE	%	men more and the AMM to be a substitute of the s	\$
	%		CONTRACTOR OF THE PARTY OF THE
	%		A STATE OF THE STA
	/		THE RESIDENCE AND ADDRESS OF THE PROPERTY OF T
	<u>%</u>		The second secon
	79		The second secon
	/		The state of the s
	· · · · · · · · · · · · · · · · · · ·		WWW. WINDS CALL CO. And Co.
Total Account 232			\$
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): NONE	0/		\$
	%		Mark of the times as assumed as desired on the contract of the times of the times as the second of the times of the times as as the times of the times as the times of the tim
	%		TECHNOLOGY CONTRACTOR
	%		
	%		
	%_		
	% -		
	%_		
	LL		
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	
Total	\$ 643,421

UTILITY NAME: <u>COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC</u>

YEAR OF REPORT December 31, 2002

ACCRUED INTEREST AND EXPENSE ACCOUNTS 237 AND 427

	BALANCE		INTEREST ACCRUED DIRENG VEAR	TOTOTI	
DESCRIPTION	BEGINNING	ACCT.		PAID DURING	BALANCE END
OF DEBIT	OF YEAR	DEBIT	AMOUNT	YEAR	OF YEAR
$\Lambda CCOINITNIO 337 i i i i i i i i i i i i i i i i i i$	(b)	(c)	(p)	(e)	€
ACCOUNTINO. 257.1 - Accrued Interest on Long Term Debt	_				
	9			\$	
	and the state of t				
	A CONTRACTOR OF THE PARTY OF TH				
				The second secon	
Total Account 237.1	€				
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
	4.500	427	000 95	\$ 000 05	
Accrued Interest			00000	000,00	7,500
				D. S. L. Carlotti, S. A.	
Total Account 237.2	4,500	9-3	56,000	\$	2,500
Total Account 237 (1)	4,500	€>	\$6,000	\$	2,500
INTEREST EXPENSED:					
Total accrual Account 237		23.7	000 95	(1) Mind comes to E 7	(a) D
Less Capitalized Interest Portion of AFUDC:		î	20,000	(1) Must agree to F-2 (a), Beginning and Ending Balance of Accused Interest	Must agree to F-2 (a), beginning and Ending Balance of Accrised Interest
					rectace mitchest.
				(2) Must agree to F-3 (c), Current	(c), Current
				Year Interest Expense	nse
Net Interest Expensed to Account No. 427 (2)		— ↔	36,000		

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

YEAR OF REPORT December 31, 2002

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES

ACCOUNT 241	
	BALANCE END OF YEAR
	(q)
NONE	
9	
	Value of the second sec
Total Miscellaneous Current and Accrued Liabilities	

ADVANCES FOR CONSTRUCTION

BALANCE END OF YEAR CREDITS **e** AMOUNT (p) DEBITS ACCT. DEBIT છ BEGINNING OF YEAR ACCOUNT 252
BALANCE (p) NAME OF PAYOR * NONE Total

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

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

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	\$	\$
	113 (150)	\
Total Regulatory Liabilities	\$	\$
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
NONE	s	\$
Total Other Deferred Liabilities	\$	\$
TOTAL OTHER DEFERRED CREDITS	\$	\$

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

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	\$	\$5,996_	\$	\$5,996
Debits during the year:	\$	\$571	\$	\$ 571
Credits during the year	\$	\$	\$	\$
Total Accumulated Amortization of Contributions In Aid of Construction	\$	\$ 6,567	\$	\$6,567

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

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

The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax ret	urn 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	is 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	REF. NO.	AMOUNT
(a)	(b)	(c)
Net income for the year	F-3(c)	\$ (48,430)
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		\$(48,430)
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

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

YEAR OF REPORT December 31, 2002

WASTEWATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The wastewater financial schedules (S-2 through S-10) should be filed for the group in total. The wastewater engineering schedules (S-11 and S-12) must be filed for each system in the group. All of the following wastewater pages (S-2 through S-12) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
COMMERCIAL UTILITIES/DUVAL	164-S	1

	V/AMMA: 1	
		WARRANCE CONTROL OF THE PART O
	F 17: 11: 91 confidence de la confidence	
		** TABLE decading a second of the second of

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)	\$ 722,086
	Less: Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	165,492
110	Accumulated Amortization	F-8	129,101
271	Contributions In Aid of Construction	S-7	15,440
252	Advances for Construction	F-20	
	Subtotal		\$ 412,053
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ 6,567
	Subtotal		\$418,620
114 115	Plus or Minus: Acquisition Adjustments (2) Accumulated Amortization of Acquisition Adjustments (2) Working Capital Allowance (3) Other (Specify):	F-7 F-7	23,760
	Balance reconciliation from Audit of 1999 Annual Report WASTEWATER RATE BASE		258,092
	WASTEWATER CATE BASE WASTEWATER OPERATING INCOME	S-3	\$ 700,472
АСН	IEVED RATE OF RETURN (Wastewater Operating Income / Wastew		7,306

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.

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY:

COMMERCIAL UTILITIES/DUVAL

WASTEWATER OPERATING STATEMENT

ACCT.			
NO.	A COCCALINITION AND TO	REFERENCE	WASTEWATER
(a)	ACCOUNT NAME	PAGE	UTILITY
	(b) ILITY OPERATING INCOME	(c)	(d)
400	Operating Revenues		1.
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	\$\$ 232,362
330	Less. Guaranteed Revenue (and AFPI)	S-9(a)	
	Net Operating Revenues		\$232,362
401	Operating Expenses	S-10(a)	\$ 190,078
402	D 111 D		· ·
403	Depreciation Expense	S-6(a)	12,563
	Less: Amortization of CIAC	S-8(a)	571
	Net Depreciation Expense		\$ 11,992
406	Amortization of Utility Plant Acquisition Adjustment	F-7	11,792
407	Amortization Expense (Other than CIAC)	F-8	11,226
			11,220
	Taxes Other Than Income		
408.10	Utility Regulatory Assessment Fee	ł	10,456
408.11	Property Taxes	A PORT AND A STATE OF THE STATE	The second secon
408.12	Payroll Taxes		**************************************
408.13	Other Taxes and Licenses		1,304
408	Total Taxes Other Than Income		
409.1	Income Taxes		\$ 11,760
410.10	Deferred Federal Income Taxes		house on the second health distribution of the second state of the
410.11	Deferred State Income Taxes	The state of the s	The state of the s
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		1986-00-1-1 - Administration of Particular States of the Control of States o
412.11	Investment Tax Credits Restored to Operating Income		
	Spotaning into inc		
	Utility Operating Expenses		\$ 225,056
	Utility Operating Income		\$ 7,306
	Add Back:		
530	Guaranteed Revenue (and AFPI)	S-9(a)	k
413	Income From Utility Plant Leased to Others	5)(u)	
414	Gains (losses) From Disposition of Utility Property	The second secon	1 99941
420	Allowance for Funds Used During Construction		
I	Total Utility Operating Income		\$
			7,300

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

UTILITY NAME:

YEAR OF REPORT December 31, 2002

SYSTEM NAME / COUNTY: COMMERCIAL UTILITIES/DUVAL

WASTEWATER UTILITY PLANT ACCOUNTS

CHRRENT	RETIREMENTS VEAR		£					350 014	12,226		7 492					54.246		A TOTAL CONTRACTOR OF THE PROPERTY OF THE PROP						303.108										
PREVIOUS	ADDITIONS RETIRI		£	A STATE OF THE PROPERTY OF THE	The state of the s			86.810			The state of the s				7		The state of the s						Million of the control of the contro	The state of the s	THE REAL PROPERTY OF THE PROPE				Tables or the state of the stat	THE PROPERTY OF THE PROPERTY O	The state of the s		We will be a second of the sec	
PREVIOUS	YEAR	(c)	5					263,204	12,226	The second secon	2,492	A STATE OF THE PROPERTY OF THE				54,246			THE RESIDENCE OF THE RESIDENCE OF THE PROPERTY		The formal highest and the construction of the construction of the profession for the construction in the construction of the			303,108						And the second s	And the second s			
	ACCOUNT NAME	(b)	Organization	Franchises	Land and Land Rights	Structures and Improvements	Power Generation Equipment	Collection Sewers - Force	Collection Sewers - Gravity	Special Collecting Structures	Services to Customers	Flow Measuring Devices	Flow Measuring Installations	Reuse Services	Reuse Meters and Meter Installations	Receiving Wells	Pumping Equipment	Reuse Distribution Reservoirs	Reuse Transmission and	Distribution System	Treatment and Disposal Equipment	Plant Sewers	Outfall Sewer Lines	Other Plant Miscellaneous Equipment	Office Furniture and Equipment	Transportation Equipment	Stores Equipment	Tools, Shop and Garage Equipment	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Other Tangible Plant	
ACCT.	NO.	(a)	351	352	353	354	355	360	361	362	363	364	365	366	367	370	371	374	375		380	381	382	389	390	391	392	393	394	395	396	397	398	

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

YEAR OF REPORT December 31, 2002

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY: COMMERCIAL UTILITIES/DUVAL

UTILITY NAME:

ACCT. ACCOUNT NAME III 2 3 4 RECLAINED RECLAINED TREATMENT PRACTION RECLAINED PRACTION RE				WASTEWATER	WASTEWATER UTILITY PLANT MATRIX	MATRIX			
ACCOUNT NAME INTANCIBLE COLLECTION SYSTEM TREATMENT RECLAMINED RECLAM				.2	u;	4.	ĸ;	9:	7.
PLANT PLAN	ACCT.	ACCOUNT NAME	INTANGIBLE	COLLECTION	SYSTEM	TREATMENT	RECLAIMED WASTEWATER	RECLAIMED WASTEWATER	CENERAL
PLANT PLAN	NO.		PLANT	PLANT	PUMPING	AND	TREATMENT	DISTRIBUTION	PLANT
Cognition Cogn	(a)	((B)	(4)	PLANT	DISPOSAL	PLANT	PLANT	(
Franchises Fra	351	1	3		(n)		(II)	(1)	(K)
Sincutures and Index Rights Sincutures and Index Reservoirs	352	Franchises	A CONTRACTOR OF THE PARTY OF TH				9	•	
Structures and Improvements	353	Land and Land Rights							
Power Generation Equipment Power Generation Equipment Collection Severs - Porce 12,226 Special Collecting Structures 12,226 Special Collecting Structures 2,492 Flow Measuring Devices Flow Measuring Installations Flow Measuring Installation Reuse Devices Flow Measuring Installation Flow Measuring Installation Reuse Devices Flow Measuring Installation Flower Development Flower D	354	Structures and Improvements						And a constitution of the	
Collection Sewers - Force 350,014 Collection Sewers - Chavity 12,226 Special Collecting Structures 12,226 Services to Customers 2,492 Services to Customers Services to Customers Services to Customers Services to Customers Services Servi	355	Power Generation Equipment			The second section of the second seco			miles of and handle for common on an entermone of the common of the comm	
Collection Severs - Gravity 12,226 Services to Customers Severices Collection Severs - Gravity Services to Customers Services Customers Flow Measuring Devices Flow Measuring Devices Flow Measuring Devices Flow Measuring Devices Flow Measuring Devices Flow Measuring Devices Flow Measuring Devices Flow Measuring Devices Customers Reuse Devices Customers Services Reuse Devices Customers Services Reuse Destruction Reactive Services Reuse Destruction Reactive Services Reuse Destruction Reactive Services Services Reuse Destruction Reactive Services Services Reuse Destruction Reactive Services Services Pleant Severs Services Services Services Services Confine Furniture and Equipment Societion Regiment Societion Regiment Communication Equipment Services Services Services Services Communication Equipment Services Ser	360	Collection Sewers - Force		350,014					
Servicia Collecting Structures Special Collecting Structures	361	Collection Sewers - Gravity		12,226					
Services to Customers Piow Measuring Devices to Customers	362	Special Collecting Structures							
Flow Measuring Devices Reuse Measuring Devices Reuse Measuring Installations	363	Services to Customers		2,492				The same of the sa	
Flow Measuring Installations Reuse Services Reuse Services Reuse Services Reuse Meter Installations Reuse Meter Installations Reuse Meter Installations Reuse Meter Installations Reuse Distribution Reservoirs Reuse Distribution Reuse Transmission and Distribution System Treatment and Disposal Equipment Treatment and Disposal Equipment Treatment and Equipment Treatment Treatment Equipment Treatment Treatment Equipment Treatment	364	Flow Measuring Devices							
Reuse Services Reuse Services Reuse Services Reuse Meters and Meter Installations Receiving Wells Pumping Equipment Reuse Distribution Reservoirs Reuse Distribution Receivor Reuse Distribution Received	365	Flow Measuring Installations							
Receiving Wells 54,246 54,246 Facetyme Pumping Equipment Pumping Equipment Pumping Equipment Page 24,246	366	Reuse Services		Figure 4					
Pumping Equipment	367	Reuse Meters and Meter Installations							
Pumping Equipment Reuse Distribution Reservoirs Reuse Distribution Reservoirs	370	Receiving Wells			54,246				
Reuse Distribution Reservoirs Reuse Transmission and Distribution Reservoirs Reuse Transmission and Distribution System Plant Several Equipment Plant S	371	Pumping Equipment							
Reuse Transmission and Distribution System Distribution System Plant Sewers Plant Sewer Lines Outfall Sewer Lines Other Plant Miscellaneous Equipment 303,108 Office Furniture and Equipment Transportation Equipment Transportation Equipment Tools, Shop and Garage Equipment Tools, Shop and Garage Equipment Power Operated Equipment Power Operated Equipment Power Operated Equipment Other Tangible Plant S 303,108 S 364,732 S 34,246 S S	374	Reuse Distribution Reservoirs							
Distribution System Treatment and Disposal Equipment Treatment and Disposal Equipment 303,108 Other Plant Niscellaneous Equipment Transportation Equipment Transportation Equipment Transportation Equipment Tools, Shop and Garage Equipment Too	375	Reuse Transmission and							
Treatment and Disposal Equipment Plant Sewers		Distribution System							
Plant Sewers Plant Sewer Lines Outfall Sever Lines Addition of the plant Miscellaneous Equipment Addition of the plant	380	Treatment and Disposal Equipment							
Outfall Sewer Lines 303,108 Chler Plant Miscellaneous Equipment 303,108 Colfice Furniture and Equipment Colfice Furniture and	381	Plant Sewers							
Other Plant Miscellaneous Equipment 303,108 Office Furniture and Equipment Transportation Equipment Stores Equipment Tools, Shop and Garage Equipment Laboratory Equipment Power Operated Equipment Communication Equipment Miscellaneous Equipment Miscellaneous Equipment Miscellaneous Equipment Other Tangible Plant Sad4,732 Total Wastewater Plant Sad4,732	382	Outfall Sewer Lines							
Office Furniture and Equipment Transportation Equipment Stores Equipment Stores Equipment Tools, Shop and Garage Equipment Laboratory Equipment Power Operated Equipment Communication Equipment Miscellaneous Equipment Miscellaneous Equipment Other Tangible Plant Sad4,732 Total Wastewater Plant Sad4,732	389	Other Plant Miscellaneous Equipment	303,108			And the second s			
Transportation Equipment Stores Equipment Stores Equipment Tools, Shop and Garage Equipment Tools, Shop and Garage Equipment Power Operated Equipment Power Operated Equipment Miscellaneous Equipment Other Tangible Plant S 303,108 S 364,732 S 54,246 S S S S S S S S S	390	Office Furniture and Equipment							
Stores Equipment Tools, Shop and Garage Equipment Cols, Shop and Garage Equipment Experiment Experiment <th>391</th> <th>Transportation Equipment</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th>	391	Transportation Equipment							
Tools, Shop and Garage Equipment Tools, Shop and Garage Equipment Eaboratory Equipment Export of the possibility of the possibili	392	Stores Equipment							
Laboratory Equipment Power Operated Equipment Communication Equipment Miscellaneous Equipment Miscellaneous Equipment Other Tangible Plant Total Wastewater Plant \$ 303,108 Total Wastewater Plant \$ 364,732	393	Tools, Shop and Garage Equipment							
Power Operated Equipment Power Operated Equipment Communication Equipment Power Discrete Equipment Power Di	394	Laboratory Equipment							
Communication Equipment Miscellaneous Equipment Communication Equipment Sagging	395	Power Operated Equipment							
Miscellaneous Equipment Other Tangible Plant S 303,108 \$	396	Communication Equipment						Additional to the second secon	
Other Tangible Plant \$ 303,108 \$ 364,732 \$ 54,246 \$ 5	397	Miscellaneous Equipment							
\$ 303,108 \$ 364,732 \$ 54,246 \$	398	Other Tangible Plant							
		Total Wastewater Plant			54,246	- 1	- 5		
							A CONTRACTOR OF THE PARTY OF TH	III. Discount of the second of	A Company of the Comp

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

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	(*)	(4)	(9)
355	Power Generation Equipment	A CONTRACTOR OF THE CONTRACTOR	(1977) Salahahir ahar ana ana ana ana an	
360	Collection Sewers - Force	27.00	0.00%	3.70%
361	Collection Sewers - Gravity	40.00	0.00%	2.50%
362	Special Collecting Structures	Miles Miles and an arrangement of the second		THE COLUMN TWO CONTROLS OF THE COLUMN TWO COLUMN TO THE COLUMN TWO
363	Services to Customers	35.00	0.00%	2.86%
364	Flow Measuring Devices		THE RESERVE OF THE PARTY OF THE	The state of the s
365	Flow Measuring Installations	The control of the co		THE CHAPTER STATE STATE STATE OF THE STATE
366	Reuse Services	The second secon	WW. 100 100 100 100 100 100 100 100 100 10	
367	Reuse Meters and Meter Installations	ACT A MAN Residence and a second seco	West Market State Control of the Con	
370	Receiving Wells	25.00	0.00%	4.00%
371	Pumping Equipment	33.7900.11	WEAR COMMITTEE TO SEE THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE	
375	Reuse Transmission and		The second secon	TOTAL TO SERVICE OF SE
	Distribution System			
380	Treatment and Disposal Equipment		17 Wilde Michael Market Committee Co	The second secon
381	Plant Sewers			The second secon
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment	27.00	0.00%	3.70%
390	Office Furniture and Equipment			The state of the s
391	Transportation Equipment			
392	Stores Equipment	The second state and the second secon	1777	
393	Tools, Shop and Garage Equipment	NOT THE PROBLEM AND ADDRESS OF THE PROPERTY OF		
394	Laboratory Equipment	AND TO SERVE THE PROPERTY HERE AND THE PARTY OF THE PARTY		
395	Power Operated Equipment			
396	Communication Equipment		NATIONAL AND ADDRESS OF THE PROPERTY ADDRESS OF THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE PR	777 797 617 1 144 144 144 144 144 144 144 144 144
397	Miscellaneous Equipment	The same of the sa		72.02.0
398	Other Tangible Plant			
Wastewat	er 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.

YEAR OF REPORT December 31, 2002

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

UTILITY NAME: COMMEI

SYSTEM NAME / COUNTY: COMMERCIAL UTILITIES/DUVAL

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

	NOTING THE		TUTOWOODE		717
ACCT.		BALANCE		OTHER	TOTAL
ON	ACCOUNT NAME	AT BEGINNING	ACCRUALS	CREDITS *	CREDITS
(a)	(b)	OF YEAK (c)	(p)	(e)	(d+e)
354	Structures and Improvements	\$	\$	\$	<u>\$</u>
355	Power Generation Equipment	TO THE REAL PROPERTY AND ADDRESS OF THE PARTY		THE PARTY AND THE RESIDENCE AND THE PARTY AN	
360	Collection Sewers - Force	124,854	10,016	THE CANADA AND AND AND AND AND AND AND AND AN	10.016
361	Collection Sewers - Gravity	4,365	306		306
362	Special Collecting Structures	and communicate management of the College Andrew States and the communicate management and the College Andrews and the College			
363	Services to Customers	1,162	71		12
364	Flow Measuring Devices				The state of the s
365	Flow Measuring Installations	As an annual and a second and a			
366	Reuse Services			The state of the s	
367	Reuse Meters and Meter Installations	THE CHARLES STATES A STATE OF THE PROPERTY OF	A CONTRACTOR OF THE PROPERTY O		NAME OF THE OWNER OWNER OF THE OWNER
370	Receiving Wells	22,548	2,170		2.170
371	Pumping Equipment		TOTAL MANIMENTAL MANIMENTAL AND ADDRESS OF THE PARTY OF T		
375	Reuse Transmission and				
	Distribution System				
380	Treatment and Disposal Equipment				
381	Plant Sewers	VIV. b. Milke a			
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment				
390	Office Furniture and Equipment				
391	Transportation Equipment		TOTAL DESIGNATION OF THE PROPERTY OF THE PROPE	The state of the s	
392	Stores Equipment			and the second s	And the state of t
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment		The state of the s		
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total D	Total Depreciable Wastewater Plant in Service	152,929	12,563	\$	\$

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

YEAR OF REPORT December 31, 2002

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

UTILITY NAME:

SYSTEM NAME / COUNTY: COMMERCIAL UTILITIES/DUVAL

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMITATED DEPRECIATION

	TO GIG ITTINITY	THE WAS	SECTION WASTEWATEN ACCOMPLAINED BEFRECIATION	MOLAIED DEFR	ECIATION	
ACCT.		PLANT	SALVAGE AND	COST OF	TOTAL	DAI ANCE AT
NO.	ACCOUNT NAME	RETIRED	INSURANCE	AND OTHER	CHARGES	END OF YEAR
(a)	(b)	(g)	€	CHARGES	(g-h+i)	(c+f-j)
354	Structures and Improvements	(8)	\$	5	9	(K)
355	Power Generation Equipment				-	ď
360	Collection Sewers - Force				THE REAL PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS	134 870
361	Collection Sewers - Gravity	The second secon				174,070
362	Special Collecting Structures			AND THE PARTY AND ALL AND ALL AND AND ADDRESS OF THE PARTY AND ADDRESS		1/04
363	Services to Customers	And the state of t		TA CHICAGO MAN AND AND AND AND AND AND AND AND AND A		1 223
364	Flow Measuring Devices					0.624,1
365	Flow Measuring Installations	The state of the s	THE RESIDENCE OF THE PARTY OF T	THE TAXABLE PARTY OF THE PARTY	The section of the se	man and the first of the first own or the problem of the first own or the
366	Reuse Services			And a second of the second of	1	AND THE PERSONS AND ASSESSMENT OF THE PERSONS AND THE PERSONS
367	Reuse Meters and Meter Installations	Halfalfalfalfarment on a constant of the last of a management of		No. 1 Comments and the complete of the complet	- I	
370	Receiving Wells		And the second s			24 718
371	Pumping Equipment	District to commence of the state of the sta				24,710
375	Reuse Transmission and					
	Distribution System					
380	Treatment and Disposal Equipment	AND THE RESIDENCE OF THE PROPERTY OF THE PROPE		WHITE A COLUMN TO THE THE PARTY OF THE PARTY		THE RESERVE AND ASSESSMENT OF THE PERSON OF
381	Plant Sewers	The same of the same and the sa				
382	Outfall Sewer Lines			The state of the s		
389	Other Plant Miscellaneous Equipment	THE STATE OF THE PROPERTY OF T				
390	Office Furniture and Equipment	MAA BANKA MAANAA MA			MANAGEMENT AND ADMINISTRATION OF THE PARTY O	TO STATE OF THE ST
391	Transportation Equipment				TANKS AND	
392	Stores Equipment		PRINTED (CATALINATIONS) STREETING AND ADDRESS OF THE PRINTED STREETINGS AND ADDRESS OF THE PRINTED STREETING			
393	Tools, Shop and Garage Equipment				With the same of t	
394	Laboratory Equipment		VALUE OF THE PROPERTY OF THE P			
395	Power Operated Equipment	Application of the control of the co			The second secon	The state of the s
396	Communication Equipment				And the second state of th	
397	Miscellaneous Equipment	ALL AN ADMINISTRAÇÃO DESCRIPTOR DE SENTIMA D				
398	Other Tangible Plant					
Total Do	Total Depreciable Wastewater Plant in Service				6	\$ 165,492

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

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY:

COMMERCIAL UTILITIES/DUVAL

CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 271

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$15,440
Add credits during year: Contributions received from Capacity, Main Extension and Customer Connection Charges	G.9(.)	
Contributions received from Developer or Contractor Agreements in cash or property	S-8(a) S-8(b)	B
Total Credits		\$
Less debits charged during the year (All debits charged during the year must be explained below)		\$
Total Contributions In Aid of Construction		\$ 15,440

Explain all debits charged to Account 271 during the year below:	
	~

SYSTEM NAME / COUNTY:

COMMERCIAL UTILITIES/DUVAL

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)
NONE		\$	\$
Total Credits			\$

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 5,996
Debits during the year: Accruals charged to Account 272 Other debits (specify):	\$ 571
Total debits	\$ 571
Credits during the year (specify):	\$
Total credits	\$
Balance end of year	\$6,567

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY:

COMMERCIAL UTILITIES/DUVAL

WASTEWATER CIAC SCHEDULE "B"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
NONE		\$
Total Credits		\$

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY:

COMMERCIAL UTILITIES/DUVAL

WASTEWATER OPERATING REVENUE

ACCT.	DESCRIPTION	BEGINNING YEAR NO. CUSTOMERS *	YEAR END NUMBER OF CUSTOMERS *	AMOUNTS	
(a)	(b)	(c)	(d)	(e)	
	WASTEWATER SALES				
	Flat Rate Revenues:				
521.1	Residential Revenues			\$	
521.2	Commercial Revenues				
521.3	Industrial Revenues				
521.4	Revenues From Public Authorities	2 10 10 1 10 10 10 10 10 10 10 10 10 10 1			
521.5	Multiple Family Dwelling Revenues	- com materials (the special property of the special	Manufacture of the second of t		
521.6	Other Revenues				
521	Total Flat Rate Revenues			\$	
	Measured Revenues:				
522.1	Residential Revenues				
522.2	Commercial Revenues	34	39	232,362	
522.3	Industrial Revenues			The second secon	
522.4	Revenues From Public Authorities				
522.5	Multiple Family Dwelling Revenues			777	
522	Total Measured Revenues	34	39	\$232,362	
523	Revenues From Public Authorities				
524	Revenues From Other Systems		The state of the s	A Laboratoria de la companya de la c	
525	Interdepartmental Revenues		** N. M. Philliphicheles a man have a man a second or man or a manager \$ \$7.1 kbs and man and a man	The state of the s	
	Total Wastewater Sales	34	39	\$232,362	
OTHER WASTEWATER REVENUES					
530	Guaranteed Revenues			\$	
531	Sale of Sludge		***************************************		
532	Forfeited Discounts	The second secon			
534	Rents From Wastewater Property	The second secon		- Consideration and the second of the second	
535	Interdepartmental Rents		1 - 90 P. P. S. W. S. M. S. A.		
536	Other Wastewater Revenues			Account for the second company of the second	
	(Including Allowance for Funds Prudently	Invested or AFPI)			
	Total Other Wastewater Revenues				

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

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY:

COMMERCIAL UTILITIES/DUVAL

WASTEWATER OPERATING REVENUE

ACCT. NO.	DESCRIPTION	BEGINNING YEAR NO. CUSTOMERS *	YEAR END NUMBER OF CUSTOMERS *	AMOUNTS	
(a)	(b)	(c)	(d)	(e)	
	RECLAIMED WATER SALES				
	Flat Rate Reuse Revenues:				
540.1	Residential Reuse Revenues			\$	
540.2	Commercial Reuse Revenues	11110000	THE PARTY OF THE P		
540.3	Industrial Reuse Revenues		VI. C.	- 1 W - 100 - 101 - 100 Mar Lode Annie Amerikaansk - 100 - 100 Mar Lode Annie Amerikaansk - 100 Mar Lode Annie Ann	
540.4	Reuse Revenues From	We follow the second of the se	THE STATE OF THE S	The second of the second secon	
	Public Authorities				
540.5	Other Revenues	Takana and consistence on an environment applicate Machine Color C	2111 2000 1000	A SELECTION OF THE PROPERTY OF	
540	Total Flat Rate Reuse Revenues			\$	
	Measured Reuse Revenues:				
541.1	Residential Reuse Revenues				
541.2	Commercial Reuse Revenues	100000000000000000000000000000000000000	The second secon		
541.3	Industrial Reuse Revenues		The state of the s		
541.4	Reuse Revenues From	THE RESERVE TO THE PROPERTY OF		MATTER World Marketon Committee of the C	
	Public Authorities				
541	Total Measured Reuse Revenues			\$	
544	Reuse Revenues From Other Systems				
	Total Reclaimed Water Sales				
	Total Wastewater Operating Revenues			\$ 232,362	

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

YEAR OF REPORT December 31, 2002

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

UTILITY NAME:

SYSTEM NAME / COUNTY: COMMERCIAL UTILITIES/DUVAL

WASTEWATER UTILITY EXPENSE ACCOUNT MATERY

		-	2				
		:	?	j.	4.	rvi	9:
ACCOUNT NAME	CURRENT YEAR	COLLECTION EXPENSES-	COLLECTION EXPENSES-	PUMPING EXPENSES.	PUMPING	TREATMENT & DISPOSAL	TREATMENT & DISPOSAL
(p)	(3)	OPERATIONS (d)	MAINTENANCE	OPERATIONS	MAINTENANCE	OPERATIONS	EAFENSES - MAINTENANCE
Salaries and Wages - Employees	\$ 18,703	\$ 12.526	3		(g)	(n)	(j)
Salaries and Wages - Officers,						0	6
Directors and Majority Stockholders	28,366						
Employee Pensions and Benefits					Valuable of the Control of the Contr		No.
Purchased Sewage Treatment	104,481					104 481	
Sludge Removal Expense	2,400		Section of the sectio			2 400	
Purchased Power	1,304					1,204	
Fuel for Power Purchased						1,304	The second secon
Materials and Supplies	466		746				
Contractual Services-Engineering							
Contractual Services - Accounting	10.125						
Contractual Services - Legal					TOTAL STANDARD STANDA		
Contractual Services - Mgt. Fees		a series		And the second s		ments of the second sec	
Contractual Services - Testing	5.009		\$ 000				
Contractual Services - Other	3,639		3,639			HET TAKEN AND AND AND AND AND AND AND AND AND AN	
Rental of Building/Real Property	14 400		1000				
Rental of Equipment							
Transportation Expenses	And the second s		THE RESIDENCE OF THE PROPERTY				
Insurance - Vehicle			1000				
Insurance - General Liability							
Insurance - Workman's Comp.							
Insurance - Other	356					The state of the s	
Advertising Expense							
Regulatory Commission Expenses							
- Amortization of Rate Case Expense	The same of the sa						
Regulatory Commission ExpOther							The second secon
Bad Debt Expense	The second secon						A Control of the Cont
Miscellaneous Expenses	829		Transfer of the Control of the Contr				
Total Wastewater Utility Expenses	190,078	\$ 12,526 \$	9,114			108 185	
		The state of the s	The state of the s	And the second s		2016001	

YEAR OF REPORT December 31, 2002

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

SYSTEM NAME / COUNTY: COMMERCIAL UTILITIES/DUVAL

UTILITY NAME:

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

MAINTENANCE DISTRIBUTION RECLAIMED EXPENSES-WATER DISTRIBUTION **OPERATIONS** RECLAIMED **EXPENSES-**WATER Ξ MAINTENANCE TREATMENT RECLAIMED EXPENSES-WATER **OPERATIONS** RECLAIMED **FREATMENT** EXPENSES-WATER € 28,366 10,125 54,076 14,400 356 829 EXPENSES ADMIN. & GENERAL (**k**) 6,177 6,177 CUSTOMER ACCOUNTS EXPENSE Directors and Majority Stockholders - Amortization of Rate Case Expense Regulatory Commission Exp.-Other Contractual Services - Accounting Contractual Services-Engineering Regulatory Commission Expenses Employee Pensions and Benefits Salaries and Wages - Employees Contractual Services - Mgt. Fees Rental of Building/Real Property Salaries and Wages - Officers, Contractual Services - Testing Purchased Sewage Treatment Insurance - Workman's Comp. ACCOUNT NAME Total Wastewater Utility Expenses Contractual Services - Legal Contractual Services - Other Insurance - General Liability Sludge Removal Expense Fuel for Power Purchased Transportation Expenses Miscellaneous Expenses Materials and Supplies Advertising Expense Rental of Equipment Insurance - Vehicle Bad Debt Expense Insurance - Other Purchased Power Chemicals ACCT. Š. 718 720 731 732 733 734 735 **a** 5 5 5 5 5 5 5 5 5 5 5 741 742 750 756 757 758 759 760 767 775

 $\begin{array}{c} \text{S-}10(\text{b}) \\ \text{GROUP} \quad 1 \end{array}$

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 Resident	ial	1.0		
5/8"	Displacement	1.0		
3/4"	Displacement	1.0	6	6
1"	Displacement	1.5	The state of the s	777
1 1/2"	Displacement or Turbine	2.5	1	28
2"	Displacement, Compound or Turbine	5.0	10	50
3"	Displacement Displacement	8.0	10	80
3"	Compound	15.0	<u> </u>	15
3"	Turbine	16.0		
4"	Displacement or Compound	17.5		
4"	Turbine	25.0		25
6"	Displacement or Compound	30.0	The second secon	
6"	Turbine	50.0	THE RESIDENCE AND ADDRESS OF THE PARTY OF TH	
8"	Compound	62.5 80.0	1977 F. S.	VI 11
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0	- California de	and deliberation of the second
12"	Turbine	215.0	THE CONTRACT OF THE PERSON AND CONTRACT OF THE PERSON OF T	The state of the s
	Total Wastewater System Meter Equivaler	<u> </u>		204

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 = (Total SFR gallons treated (Omit 000) / 365 days / 280 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:		
i		

COMMERCIAL UTILITIES, DIV. OF GRACE & COMPANY, INC

December 31, 2002

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.)

S-12	
GROUP 1	
SYSTEM	

⁽²⁾ Contact stabilization, advanced treatment, etc.

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 204					
2. Maximum number of ERCs* which can be served 229					
3. Present system connection capacity (in ERCs*) using existing lines	229				
4. Future connection capacity (in ERCs*) upon service area buildout	229				
5. Estimated annual increase in ERCs* Depends on Commercial	5. Estimated annual increase in ERCs* Depends on Commercial Growth in the Area - None Presently Planned				
 Describe any plans and estimated completion dates for any enlargements or improvements of this system Replaced Force Transmission System at Year End - No Further Improvement Planned 					
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 complete	ed? 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. 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					

S-13 GROUP 1 SYSTEM ____

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