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WATER AND/OR WASTEWATER UTILITIES

(Gross Revenue of Less Than \$200,000 Each)

ANNUAL REPORT

OF

WS249-03-AR
Useppa Island Utility, Inc.
P. O. Box 640
Bokeelia, FL 33922-0640

FLORIDA REGULATION

04 MAR 26 11:10:33

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2003

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FINANCIAL SECTION

REPORT OF

USEPPA UTILITY, INC.
(EXACT NAME OF UTILITY)

P.O. Box 640 Mailing Address BOKEELIA, FLORIDA 33922 Street Address LEE County

Telephone Number 239/283-1001

Date Utility First Organized 1981

Fax Number 239/283-4535

E-mail Address LOUANNCHRISTENSEN@USEPPA.COM

Sunshine State One-Call of Florida, Inc. Member No. _____

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

- Individual Sub Chapter S Corporation 1120 Corporation Partnership

Name, Address and phone where records are located: ACCOUNTING OFFICE ON USEPPA ISLAND

Name of subdivisions where services are provided: USEPPA ISLAND

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>VINCENT FORMOSA</u>	<u>VICE PRESIDENT</u>	<u>P.O. Box 640</u> <u>BOKEELIA, FL 33922</u>	
Person who prepared this report: <u>LOUANN CHRISTENSEN</u> <u>ERIC GLIDDEN</u>	<u>ACCOUNTING MGR</u> <u>UTILITY MGR</u>	<u>P.O. Box 640</u> <u>BOKEELIA, FL 33922</u>	
Officers and Managers: <u>GARFIELD R. BECKSTEAD</u>	<u>PRESIDENT</u>	<u>P.O. Box 640</u> <u>BOKEELIA, FL</u> <u>33922</u>	\$ -0-
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

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

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
<u>USEPPA INN AND DOCK CO., LTD.</u>	<u>100%</u>	<u>P.O. Box 640</u> <u>BOKEELIA, FL</u> <u>33922</u>	\$ -0-
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: USEPPA UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2003

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ <u>168,532</u>	\$ <u>88,447</u>	\$ _____	\$ <u>256,979</u>
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Total Gross Revenue _____		\$ <u>168,532</u>	\$ <u>88,447</u>	\$ _____	\$ <u>256,979</u>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ <u>137,908</u>	\$ <u>92,674</u>	\$ _____	\$ <u>230,582</u>
Depreciation Expense _____	F-5	<u>10,674</u>	<u>10,364</u>	_____	<u>21,038</u>
CIAC Amortization Expense _____	F-8	<u><3,902></u>	<u><5,922></u>	_____	<u><9,824></u>
Taxes Other Than Income _____	F-7	<u>9,942</u>	<u>6,338</u>	_____	<u>16,280</u>
Income Taxes _____	F-7	<u>-</u>	<u>-</u>	_____	<u>-</u>
Total Operating Expense		\$ <u>154,622</u>	<u>103,454</u>	_____	\$ <u>258,076</u>
Net Operating Income (Loss)		\$ <u>13,910</u>	\$ <u><15,007></u>	\$ _____	\$ <u><1,097></u>
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		<u>21,589</u>	<u>25,004</u>	_____	<u>46,593</u>
Net Income (Loss)		\$ <u><7,679></u>	\$ <u><4,011></u>	\$ _____	\$ <u><47,690></u>

UTILITY NAME: USEPPA UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2003

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 1,022,698	\$ 1,021,406
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	472,048	451,010
Net Utility Plant -----		\$ 550,650	\$ 570,396
Cash -----		6,768	6,184
Customer Accounts Receivable (141) -----			
Other Assets (Specify): -----		291,963	281,062
<u>INVENTORY</u> -----		6,627	6,627
<u>DEPOSITS</u> -----		400	400

Total Assets -----		\$ 856,408	\$ 864,669
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	1,000	1,000
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----			
Retained Earnings (215) -----	F-6	149,000	149,000
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	(187,793)	(140,100)
Total Capital -----		\$ (37,793)	\$ 9,900
Long Term Debt (224) -----	F-6	\$ 666,511	\$ 639,533
Accounts Payable (231) -----		97,910	58,219
Notes Payable (232) -----			
Customer Deposits (235) -----			
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----			17,412

Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	129,780	139,605
Total Liabilities and Capital -----		\$ 856,408	\$ 864,669

UTILITY NAME: USEPPA UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2003

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ <u>562,881</u>	\$ <u>459,817</u>	\$ _____	\$ <u>1,022,698</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ <u>562,881</u>	\$ <u>459,817</u>	\$ _____	\$ <u>1,022,698</u>

ACCUMULATED DEPRECIATION (A/D) AND AMORTIZATION OF UTILITY PLANT

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ <u>224,353</u>	\$ <u>226,657</u>	\$ _____	\$ <u>451,010</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ <u>10,674</u>	\$ <u>10,364</u>	\$ _____	\$ <u>21,038</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ <u>235,026</u>	\$ <u>237,021</u>	\$ _____	\$ <u>472,048</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ <u>235,026</u>	\$ <u>237,021</u>	\$ _____	\$ <u>472,048</u>

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
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CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____		
Shares authorized _____	<u>1,000</u>	
Shares issued and outstanding _____		
Total par value of stock issued _____		
Dividends declared per share for year _____		

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____		
Changes during the year (Specify): _____	<u><140,100></u>	\$ _____
_____	<u><47,693></u>	_____
_____		_____
Balance end of year _____	<u><187,793></u>	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____		
Changes during the year (Specify): _____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
<u>SOUTHTRUST BANK W/PLANT 10/08 - 1/10</u>	<u>9</u>	<u>24</u>	\$ <u>133,772</u>
<u>USEPPA INN AND Dock</u>	<u>10</u>		<u>423,160</u>
<u>SOUTHTRUST BANK 8/01 - 11/10</u>	<u>8</u>	<u>35</u>	<u>109,579</u>
Total _____			\$ <u>666,511</u>

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	2203	2203	_____	4406
Regulatory assessment fee _____	7584	3980	_____	11,564
Other (Specify) _____	_____	_____	_____	_____
<u>INTANGIBLE</u>	155	155	_____	310
Total Tax Expense _____	\$ 9,942	\$ 6338	\$ _____	\$ 16,280

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
<u>WELKER HARRIS</u>	\$ 813	\$ 813	<u>CPA</u>
<u>SANDER LAB</u>	\$ 5527	\$ 1035	<u>LAB TESTS</u>
<u>JOHNSON ENGINEER</u>	\$ 916	\$ 800	<u>ENGINEER</u>
<u>G. GRADY MINOR</u>	\$ 1870	\$ -0-	<u>ENGINEER</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31 2003

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year	\$ 225,670	\$ 230,187	\$ 455,857
2) Add credits during year			
3) Total	\$	\$	\$
4) Deduct charges during the year			
5) Balance end of year	225,670	230,187	455,857
6) Less Accumulated Amortization	133,457	192,620	326,077
7) Net CIAC	\$ 92,213	\$ 37,567	\$ 129,780

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
Sub-total		\$	\$
Report below all capacity charges, main extension charges and customer connection charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
		\$	\$
Total Credits During Year (Must agree with line # 2 above.)		\$	\$

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year	\$ 129,554	\$ 186,698	\$ 316,251
Add Debits During Year:	3,902	522	9,824
Deduct Credits During Year:			
Balance End of Year (Must agree with line #6 above.)	\$ 133,457	\$ 192,620	\$ 326,075

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT DECEMBER 31 2003

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	100.00 %		_____ %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: _____ % Commission Order Number approving AFUDC rate: _____
--

**WATER
OPERATING
SECTION**

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31 2003

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$	\$	\$	\$
302	Franchises				
303	Land and Land Rights				
304	Structures and Improvements	32,516			32,516
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	51,199			51,199
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment	172,535			172,535
311	Pumping Equipment	25,676			25,676
320	Water Treatment Equipment	174,356			174,356
330	Distribution Reservoirs and Standpipes	6,611			6,611
331	Transmission and Distribution Lines	63,708			63,708
333	Services	3,020			3,020
334	Meters and Meter Installations	18,006			18,006
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant and Miscellaneous Equipment	1,873			1,873
340	Office Furniture and Equipment				
341	Transportation Equipment	800			800
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	1,142			1,142
344	Laboratory Equipment	975			975
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	Total Water Plant	\$ 552,418	\$	\$	\$ 552,418

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (l)
304	Structures and Improvements		%		\$ 27,575	\$	\$ 984	\$ 28,559
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs		%		31,066		1,149	32,216
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%					
310	Power Generating Equipment		%		5,073		298	5,371
311	Pumping Equipment		%		14,813		371	15,184
320	Water Treatment Equipment		%		84,400		501	84,901
330	Distribution Reservoirs & Standpipes		%		4,213		128	4,341
331	Trans. & Dist. Mains		%		36,016		947	36,963
333	Services		%		2,001		57	2,058
334	Meter & Meter Installations		%		17,894		1,052	18,946
335	Hydrants		%					
336	Backflow Prevention Devices		%					
339	Other Plant and Miscellaneous Equipment		%		217		11	228
340	Office Furniture and Equipment		%					
341	Transportation Equipment		%		922		154	1,076
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment		%		163		11	174
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%					
348	Other Tangible Plant		%					
	Totals				\$ 224,353	\$	\$ 10,614	\$ 235,000

* This amount should tie to Sheet F-5.

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$ 54,693
603	Salaries and Wages - Officers, Directors, and Majority Stockholders	
604	Employee Pensions and Benefits	9,218
610	Purchased Water	
615	Purchased Power	22,697
616	Fuel for Power Production	
618	Chemicals	4,434
620	Materials and Supplies	23,721
630	Contractual Services:	
	Billing	
	Professional	3,599
	Testing	5,527
	Other	2,199
640	Rents	7,800
650	Transportation Expense	1,358
655	Insurance Expense	237
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	
670	Bad Debt Expense	
675	Miscellaneous Expenses	2225
	Total Water Operation And Maintenance Expense	\$ 137,908

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	0	0	0
3/4"	D	1.5	134	134	201
1"	D	2.5	8.0	8.0	20
1 1/2"	D,T	5.0	0	0	0
General Service					
5/8"	D	1.0	0	0	0
3/4"	D	1.5	5	5	7.5
1"	D	2.5	1	1	2.5
1 1/2"	D,T	5.0	0	0	0
2"	D,C,T	8.0	3	3	24
3"	D	15.0	0	0	0
3"	C	16.0	0	0	0
3"	T	17.5	0	0	0
Unmetered Customers			0	0	0
Other (Specify)			0	0	0
Total			<u>151</u>	<u>151</u>	<u>255</u>

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b) Water Purchased For Resale (Omit 000's)	(c) Finished Water From Wells (Omit 000's)	(d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	(e) Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	(f) Water Sold To Customers (Omit 000's)
January	0	1272	5	1267	1172
February	0	1234	5	1229	1048
March	0	1371	6	1365	1274
April	0	1354	20	1334	1019
May	0	1406	5	1401	1160
June	0	1183	4	1179	1059
July	0	1177	7	1170	998
August	0	957	19	938	1021
September	0	915	6	909	826
October	0	1104	5	1099	1013
November	0	1132	9	1123	837
December	0	1192	4	1188	1132
Total for Year	0	14297	95	14202	12,552

If water is purchased for resale, indicate the following:

Vendor N/A
Point of delivery N/A

If water is sold to other water utilities for redistribution, list names of such utilities below:

N/A

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	2	5650	None	None	5650
PVC	3	1785	None	None	1785
PVC	4	8955	None	None	8955

UTILITY NAME: VSEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1989</u>	<u>2002</u>	_____	_____
Types of Well Construction and Casing _____	<u>PVC</u>	<u>PVC</u>	_____	_____
Depth of Wells _____	<u>280</u>	<u>320</u>	_____	_____
Diameters of Wells _____	<u>6"</u>	<u>6"</u>	_____	_____
Pump - GPM _____	<u>95 GPM</u>	<u>95 GPM</u>	_____	_____
Motor - HP _____	<u>7 1/2 HP</u>	<u>7 1/2 HP</u>	_____	_____
Motor Type * _____	<u>Submersible</u>	<u>Submersible</u>	_____	_____
Yields of Wells in GPD _____	<u>136,800</u>	<u>136,800</u>	_____	_____
Auxiliary Power _____	<u>No</u>	<u>Yes</u>	_____	_____

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>Steel</u>	_____	_____	_____
Capacity of Tank _____	<u>100,000 G.H.</u>	_____	_____	_____
Ground or Elevated _____	<u>Ground</u>	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	<u>Baldor</u>	<u>Baldor</u>	_____	_____
Type _____	<u>Jmm3312T</u>	<u>Jmm3312T</u>	_____	_____
Rated Horsepower _____	<u>10 HP</u>	<u>10 HP</u>	_____	_____
Pumps				
Manufacturer _____	<u>Goulds</u>	<u>Goulds</u>	_____	_____
Type _____	<u>Centrifugal</u>	<u>Centrifugal</u>	_____	_____
Capacity in GPM _____	<u>140 GPM</u>	<u>140 GPM</u>	_____	_____
Average Number of Hours Operated Per Day _____	<u>2.04 Hrs</u>	<u>2.04 Hrs</u>	_____	_____
Auxiliary Power _____	<u>Yes</u>	<u>Yes</u>	_____	_____

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, purchased water etc.)			
Permitted Gals. per day _____	<u>140,000 GPD</u>	_____	_____
Type of Source _____	<u>Mid-Hawthorne Aquifer</u>	<u>mid-Hawthorne aquifer</u>	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type _____	<u>Reverse osmosis</u>	_____	_____
Make _____	<u>Hydro-Pro</u>	_____	_____
Permitted Capacity (GPD) _____	<u>50,000 GPD</u>	_____	_____
High service pumping Gallons per minute _____	<u>280/combined</u>	_____	_____
Reverse Osmosis _____	<u>Yes</u>	_____	_____
Lime Treatment Unit Rating _____	<u>NO</u>	_____	_____
Filtration Pressure Sq. Ft. _____	<u>NO</u>	_____	_____
Gravity GPD/Sq.Ft. _____	<u>NO</u>	_____	_____
Disinfection Chlorinator _____	<u>Sodium Hypochlorite</u>	_____	_____
Ozone _____	_____	_____	_____
Other _____	_____	_____	_____
Auxiliary Power _____	<u>Yes</u>	_____	_____

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

SYSTEM NAME: _____

GENERAL WATER SYSTEM INFORMATION

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

- 1. Present ERC's * the system can efficiently serve. 12,557,000 / 350,000 = .0983 ERC
- 2. Maximum number of ERCs * which can be served. 50,000 GPD permitted / 350,000 = .143 ERC
- 3. Present system connection capacity (in ERCs *) using existing lines. .143 ERC
- 4. Future connection capacity (in ERCs *) upon service area buildout. Built out
- 5. Estimated annual increase in ERCs *. 0
- 6. Is the utility required to have fire flow capacity? NO
If so, how much capacity is required? N/A
- 7. Attach a description of the fire fighting facilities. None provided
- 8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
None
- 9. When did the company last file a capacity analysis report with the DEP? August 1998
- 10. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? N/A
 - c. When will construction begin? N/A
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? NO
- 11. Department of Environmental Protection ID # F1 0036218
- 12. Water Management District Consumptive Use Permit # _____
 - a. Is the system in compliance with the requirements of the CUP? YES
 - b. If not, what are the utility's plans to gain compliance? N/A

* An ERC is determined based on 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 residents (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 sold (omit 000/365 days/350 gallons per day).

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

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 _____	<u>196,388</u>	_____	_____	<u>196,388</u>
355	Power Generation Equipment _____	_____	_____	_____	_____
360	Collection Sewers - Force _____	<u>122,424</u>	_____	_____	<u>122,424</u>
361	Collection Sewers - Gravity _____	<u>377</u>	_____	_____	<u>377</u>
362	Special Collecting Structures _____	_____	_____	_____	_____
363	Services to Customers _____	_____	_____	_____	_____
364	Flow Measuring Devices _____	_____	_____	_____	_____
365	Flow Measuring Installations _____	_____	_____	_____	_____
370	Receiving Wells _____	<u>64,652</u>	_____	_____	<u>64,652</u>
371	Pumping Equipment _____	_____	_____	_____	_____
380	Treatment and Disposal Equipment _____	<u>42,112</u>	_____	_____	<u>42,112</u>
381	Plant Sewers _____	_____	_____	_____	_____
382	Outfall Sewer Lines _____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment _____	<u>15,584</u>	<u>1,292</u>	_____	<u>16,876</u>
390	Office Furniture and Equipment _____	_____	_____	_____	_____
391	Transportation Equipment _____	<u>1,200</u>	_____	_____	<u>1,200</u>
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 _____	\$ <u>442,737</u>	\$ <u>1,292</u>	\$ _____	\$ <u>444,029</u>

* This amount should tie to sheet F-5.

UTILITY NAME: USEPPA UTILITY, INC

YEAR OF REPORT
DECEMBER 31, 2003

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
354	Structures and Improvements		%	%	\$ 34,591		\$ 1,380	\$ 35,971
355	Power Generation Equipment		%	%	85,009		3,149	88,158
360	Collection Sewers - Force		%	%	87		2	89
361	Collection Sewers - Gravity		%	%				
362	Special Collecting Structures		%	%				
363	Services to Customers		%	%				
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells		%	%	49,964		1,999	51,963
371	Pumping Equipment		%	%				
380	Treatment and Disposal Equipment		%	%	53,807		3,589	57,396
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment		%	%	1,724		115	1,839
390	Office Furniture and Equipment		%	%				
391	Transportation Equipment		%	%				
392	Stores Equipment		%	%	1,384		231	1,615
393	Tools, Shop and Garage Equipment		%	%				
394	Laboratory Equipment		%	%				
395	Power Operated Equipment		%	%				
396	Communication Equipment		%	%				
397	Miscellaneous Equipment		%	%				
398	Other Tangible Plant		%	%				
	Totals				\$ 226,656	\$	\$ 10,364	\$ 237,020

* This amount should tie to Sheet F-5.

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 49,773
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	
704	Employee Pensions and Benefits	9,512
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	8,669
715	Purchased Power	
716	Fuel for Power Production	1,987
718	Chemicals	7,559
720	Materials and Supplies	
730	Contractual Services:	
	Billing	
	Professional	
	Testing	813
	Other	2,435
740	Rents	2,306
750	Transportation Expense	7,800
755	Insurance Expense	13,588
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	237
770	Bad Debt Expense	
775	Miscellaneous Expenses	225
	Total Wastewater Operation And Maintenance Expense	\$ 92,674*

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Number of Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
All meter sizes	D	1.0	137	137	137
General Service					
5/8"	D	1.0	0	0	0
3/4"	D	1.5	0	0	0
1"	D	2.5	5	5	7.5
1 1/2"	D,T	5.0	0	0	0
2"	D,C,T	8.0	0	0	0
3"	D	15.0	2	2	16
3"	C	16.0	0	0	0
3"	T	17.5	0	0	0
Unmetered Customers					
Other (Specify)					
Total			144	144	160.5

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003

PUMPING EQUIPMENT

Lift Station Number	<u>22</u>	<u>We</u>				
Make or Type and nameplate data on pump	<u>Goulds</u>	<u>have</u>				
		<u>22</u>				
Year installed	<u>1987</u>	<u>LIFT-</u>				
Rated capacity	<u>80 GPM</u>	<u>stations</u>				
Size	<u>200 GAH</u>	<u>info</u>				
Power:		<u>the</u>				
Electric	<u>Yes</u>	<u>same</u>				
Mechanical	<u>No</u>					
Nameplate data of motor	<u>Goulds</u>					
	<u>1/2 hp</u>					

SERVICE CONNECTIONS

Size (inches)	<u>4"</u>				
Type (PVC, VCP, etc.)	<u>PVC</u>				
Average length	<u>60'</u>				
Number of active service connections	<u>119</u>				
Beginning of year	<u>118</u>				
Added during year	<u>1</u>				
Retired during year	<u>0</u>				
End of year	<u>119</u>				
Give full particulars concerning inactive connections	<u>25</u>				
	<u>future building sites</u>				

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches)	<u>6"</u>	<u>4"</u>			<u>6"</u>	<u>4"</u>		
Type of main	<u>PVC</u>	<u>PVC</u>			<u>PVC</u>	<u>PVC</u>		
Length of main (nearest foot)	<u>N/A</u>	<u>N/A</u>			<u>N/A</u>	<u>N/A</u>		
Beginning of year	<u>N/A</u>	<u>N/A</u>			<u>N/A</u>	<u>N/A</u>		
Added during year	<u>0</u>	<u>60'</u>			<u>0</u>	<u>0</u>		
Retired during year	<u>0</u>	<u>0</u>			<u>0</u>	<u>0</u>		
End of year	<u>N/A</u>	<u>N/A</u>			<u>N/A</u>	<u>N/A</u>		

MANHOLES

Size (inches)	<u>52"</u>	<u>60"</u>		
Type of Manhole	<u>Fiberglass</u>	<u>Concrete</u>		
Number of Manholes:				
Beginning of year	<u>22</u>	<u>2</u>		
Added during year	<u>1</u>	<u>0</u>		
Retired during year	<u>1</u>	<u>0</u>		
End of Year	<u>22</u>	<u>2</u>		

UTILITY NAME: USEPPA UTILITY, INC.

SYSTEM NAME: _____

YEAR OF REPORT
DECEMBER 31 2003

TREATMENT PLANT

Manufacturer _____	<u>Davco</u>	<u>McNeil</u>	_____
Type _____	<u>Extended Air</u>	<u>Extended Air</u>	_____
"Steel" or "Concrete" _____	<u>Concrete</u>	<u>Concrete</u>	_____
Total Permitted Capacity _____	<u> </u>	<u>0.02 MGD</u>	_____
Average Daily Flow _____	<u> </u>	<u>11,391 Gallons</u>	_____
Method of Effluent Disposal _____	<u>Perc. Pond</u>	<u>Perc Pond</u>	_____
Permitted Capacity of Disposal _____	<u> </u>	<u>0.02 MGD</u>	_____
Total Gallons of Wastewater treated _____	<u>→ Surge system</u>	<u>4,157,800^{GAL}</u>	_____

MASTER LIFT STATION PUMPS

Manufacturer _____	<u>Govids</u>	_____	_____	_____	_____	_____
Capacity (GPM's) _____	<u>60 GPM</u>	_____	_____	_____	_____	_____
Motor: _____	_____	_____	_____	_____	_____	_____
Manufacturer _____	<u>Govids</u>	_____	_____	_____	_____	_____
Horsepower _____	<u>1/2 HP</u>	_____	_____	_____	_____	_____
Power (Electric or Mechanical) _____	<u>Electric</u>	_____	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>348,000</u>	<u>0</u>	<u>348,000</u>
February _____	<u>357,700</u>	<u>0</u>	<u>357,700</u>
March _____	<u>535,100</u>	<u>0</u>	<u>535,100</u>
April _____	<u>405,300</u>	<u>0</u>	<u>405,300</u>
May _____	<u>346,700</u>	<u>0</u>	<u>346,700</u>
June _____	<u>361,300</u>	<u>0</u>	<u>361,300</u>
July _____	<u>270,100</u>	<u>0</u>	<u>270,100</u>
August _____	<u>301,300</u>	<u>0</u>	<u>301,300</u>
September _____	<u>213,400</u>	<u>0</u>	<u>213,400</u>
October _____	<u>232,900</u>	<u>0</u>	<u>232,900</u>
November _____	<u>453,400</u>	<u>0</u>	<u>453,400</u>
December _____	<u> </u>	<u>0</u>	<u> </u>
Total for year _____	<u>4,157,800</u>	<u>0</u>	<u>4,157,800</u>

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: USEPPA UTILITY INC

YEAR OF REPORT
DECEMBER 31, 2003

SYSTEM NAME: _____

GENERAL 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. 4,157,800 / 1000 / 365 / 280 = .0407 ERC
2. Maximum number of ERCs* which can be served. 20,000 GA/day permitted / 1000 / 280 = .071 ERC
3. Present system connection capacity (in ERCs*) using existing lines. Plant Design 45,000 Gal/day / 280 / 1000 = 161 ERC
4. Future connection capacity (in ERCs*) upon service area buildout. Build out.
5. Estimated annual increase in ERCs*. 0
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
None
7. If the utility uses reuse as a means of effluent disposal, provide a list of the reuse end users and the amount of reuse provided to each, if known.
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? August 1999
11. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules. N/A
 - b. Have these plans been approved by DEP? N/A
 - c. When will construction begin? N/A
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? N/A
12. Department of Environmental Protection ID # FLA 014494

* An ERC is determined based on 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 residents (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 sold (omit 000/365 days/280 gallons per day).

UTILITY NAME: USEPPA UTILITY, INC.

YEAR OF REPORT
DECEMBER 31, 2003


CERTIFICATION OF ANNUAL REPORT

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

- YES NO 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.
- YES NO 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.
- YES NO 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.
- YES NO 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents.

Items Certified

1. 2. 3. 4.


 (signature of chief executive officer of the utility) *
 Date: 3/19/04 **VICE PRESIDENT**

1. 2. 3. 4.

 (signature of chief financial officer of the utility) *
 Date: _____

* 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.