

CLASS "C"

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WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

WS446-05-AR

Paradise Lakes Utility LLC

EXACT LEGAL NAME OF RESPONDENT

458-W / 392-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



RECEIVED
PUBLIC SERVICE COMMISSION
MAY 10 2006

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

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JOHN H. CRONIN, JR., C.P.A.
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March 15, 2006

To the Members
Paradise Lakes Utility, LLC

We have compiled the 2005 Annual Report of Paradise Lakes Utility, LLC in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

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

We are not independent with respect to Paradise Lakes Utility, LLC.

Cronin, Jackson, Nixon & Wilson
CRONIN, JACKSON, NIXON & WILSON

FINANCIAL SECTION

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REPORT OF

Paradise Lakes Utility LLC
(Exact name of utility)

| | |
|-------------------------|-------------------------------|
| 2348 Raden Drive | 2348 Raden Drive |
| Land O' Lakes, FL 34639 | Land O' Lakes, FL 34639 Pasco |
| Mailing Address | Street Address County |

Telephone Number (813) 949-2167 Date Utility First Organized May, 1985

Check the business entity of the utility as filed with the Internal Revenue Service:
 Individual Sub Chapter S Corporation 1120 Corporation Partnership

Location where books and records are located: 2348 Raden Drive
Land O' Lakes, FL 34639

Names of subdivisions where service is provided: Paradise Lakes

CONTACTS:

| Name | Title | Principle Business Address | Salary Charged Utility |
|---|-----------------|---|------------------------|
| Person to send correspondence: Janice Delucenay | | 2348 Raden Drive Land O' Lakes, FL, 34639 | |
| Person who prepared this report: Cronin, Jackson, Nixon & Wilson | CPA's | 2560 Gulf-to-Bay Blvd. Clearwater, FL. 33765 | |
| Officers and Managers: Larry DeLucenay | Managing Member | 2348 Raden Drive | None |
| Janice Delucenay | Managing Member | Land O' Lakes, FL, 34639 | None |
| | | | None |
| | | | |
| | | | |

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 |
|--------------------------|------------------------------|----------------------------|------------------------|
| Larry & Janice DeLucenay | 100% | Same As Above | None |
| | | | |
| | | | |
| | | | |
| | | | |

INCOME STATEMENT

| Account Name | Ref. Page | Water | Wastewater | Other | Total Company |
|---|------------|-----------|------------|-------|---------------|
| Gross Revenue: | | | | | |
| Residential _____ | | \$ 65,636 | \$ 139,181 | | \$ 204,817 |
| Commercial _____ | | | | | - |
| Industrial _____ | | | | | - |
| Multiple Family _____ | | | | | - |
| Guarenteed Revenues _____ | | | | | - |
| Other (Specify) _____ | | | | | - |
| Total Gross Revenue _____ | | 65,636 | 139,181 | N/A | 204,817 |
| Operation Expense (Must tie to Pages W-3 and S-3) | W-3 S-3 | 40,659 | 85,370 | | 126,029 |
| Depreciation Expense _____ | F-5 | 12,572 | 17,649 | | 30,221 |
| CIAC Amortization Expense _____ | F-8 | (1,149) | (770) | | (1,919) |
| Taxes Other Than Income _____ | F-7 | 6,032 | 9,335 | - | 15,367 |
| Income Taxes _____ | F-7 | - | - | | - |
| Total Operating Expenses _____ | | 58,114 | 111,584 | | 169,698 |
| Net Operating Income (Loss) | | 7,522 | 27,597 | - | 35,119 |
| Other Income: | | | | | |
| Nonutility Income _____ | | 345 | 344 | | 689 |
| Interest Income _____ | | - | - | | - |
| _____ | | | | | - |
| Other Deductions: | | | | | |
| Miscellaneous Nonutilty Expenses _____ | | 450 | 450 | | 900 |
| Interest Expense _____ | | - | - | | - |
| AFUDC _____ | | - | - | | - |
| _____ | | | | | - |
| _____ | | | | | - |
| Net Income (Loss) | | \$ 7,417 | \$ 27,491 | N/A | \$ 34,908 |

COMPARATIVE BALANCE SHEET

| Account Name | Reference Page | Current Year | Previous Year |
|--|----------------|--------------|---------------|
| ASSETS: | | | |
| Utility Plant In Service (101 - 105) _____ | F-5, W-1, S-1 | \$ 736,316 | \$ 692,042 |
| Accumulated Depreciation and Amortization (108) _____ | F-5, W-2, S-2 | (281,670) | (251,449) |
| Net Utility Plant _____ | | 454,646 | 440,593 |
| Cash _____ | | 34,138 | 22,755 |
| Customer Accounts Receivable (141) _____ | | 33,683 | 20,395 |
| Other Assets (Specify): | | | |
| Other Intangibles _____ | | | |
| Intercompany Receivable _____ | | | |
| Misc. Other Assets _____ | | 2,635 | 2,182 |
| Unamortized Extraord. Property Loss _____ | | 2,560 | 7,680 |
| Total Assets _____ | | \$ 527,662 | \$ 493,605 |
| LIABILITIES AND CAPITAL: | | | |
| Common Stock Issued (201) _____ | F-6 | | |
| Preferred Stock Issued (204) _____ | F-6 | - | - |
| Other Paid In Capital (211) _____ | | | |
| Retained Earnings (215) _____ | F-6 | - | |
| Proprietary Capital (Proprietary and partnership only) (218) _____ | F-6 | 453,509 | 418,598 |
| Total Capital _____ | | 453,509 | 418,598 |
| Long Term Debt (224) _____ | F-6 | | |
| Accounts Payable (231) _____ | | 3,170 | 12,641 |
| Notes Payable (232) _____ | | | |
| Customer Deposits (235) _____ | | | |
| Accrued Taxes (236) _____ | F-7 | 9,217 | 8,207 |
| Other Liabilities (Specify): | | | |
| Accounts Payable - Assoc Co _____ | | 35,857 | 27,063 |
| Accrued Interest _____ | | | |
| Advances For Construction (252) _____ | | | |
| Contributions In Aid Of Construction - Net (271 - 272) _____ | F-8 | 25,909 | 27,096 |
| Total Liabilities and Capital _____ | | \$ 527,662 | \$ 493,605 |

GROSS UTILITY PLANT

| Plant Accounts: (101 - 107) Inclusive | Water | Sewer | Plant Other Than Reporting Systems | Total |
|--|-------------------|-------------------|---|-------------------|
| Utility Plant In Service (101) _____ | \$ 298,419 | \$ 437,897 | N/A | \$ 736,316 |
| Construction Work In Progress (105) _____ | | | | - |
| Other (Specify) _____ | - | - | | - |
| _____ | | | | - |
| Total Utility Plant _____ | \$ 298,419 | \$ 437,897 | N/A | \$ 736,316 |

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

| Account 108 | Water | Wastewater | Other Than Reporting Systems | Total |
|---|-------------------|-------------------|---|-------------------|
| Balance First Of Year _____ | \$ 140,355 | \$ 111,094 | N/A | \$ 251,449 |
| Add Credits During Year: | | | | |
| Accruals charged to depreciation account _____ | 12,572 | 17,649 | | 30,221 |
| Salvage _____ | - | - | | - |
| Other credits (specify) _____ | - | - | | - |
| Rounding _____ | - | - | | - |
| Total credits _____ | 12,572 | 17,649 | | 30,221 |
| Deduct Debits During Year: | | | | |
| Book cost of plant retired _____ | - | - | | - |
| Cost of removal _____ | - | - | | - |
| Other debits (specify) _____ | | | | - |
| _____ | | | | |
| Total debits _____ | - | - | | - |
| Balance End of Year _____ | \$ 152,927 | \$ 128,743 | N/A | \$ 281,670 |

CAPITAL STOCK (201 - 204)

| | Common Stock | Preferred Stock |
|---|--------------|-----------------|
| Par or stated value per share _____ | N/A | N/A |
| Shares authorized _____ | | |
| Shares issued and outstanding _____ | | |
| Total par value of stock issued _____ | | |
| Dividends declared per share for year _____ | | |

RETAINED EARNINGS (215)

| | Appropriated | Un-Appropriated |
|------------------------------------|--------------|-----------------|
| Balance first of year _____ | N/A | \$ - |
| Charges during the year (specify): | | |
| Current Year Income _____ | - | - |
| _____ | | |
| _____ | | |
| Balance end of year _____ | \$ | |

PROPRIETARY CAPITAL (218)

| | Proprietor or Partner | Partner |
|------------------------------------|-----------------------|---------|
| Balance first of year _____ | \$ 418,598 | N/A |
| Charges during the year (specify): | | |
| Current year income _____ | 34,908 | - |
| Rounding _____ | 3 | |
| _____ | | |
| Balance end of year _____ | \$ 453,509 | |

LONG TERM DEBT (224)

| Description of Obligation (Including Nominal Date of Issue and Date of Maturity) | Interest | | Principal Per Balance Sheet Date |
|--|----------|---------------|----------------------------------|
| | Rate | # of Payments | |
| _____ | % | | \$ - |
| _____ | % | | - |
| _____ | % | | - |
| _____ | % | | |
| Total _____ | | | N/A |

TAXES ACCRUED (236)

| (a) | WATER (b) | SEWER (c) | OTHER (d) | TOTAL (e) |
|--------------------------------|--------------|--------------|--------------|--------------|
| Income Taxes: | | | | |
| Federal income tax _____ | \$ - | \$ - | N/A | \$ - |
| State income tax _____ | - | - | | |
| Taxes Other Than Income: | | | | |
| State ad valorem tax _____ | - | - | | |
| Local property tax _____ | - | - | | |
| Regulatory assessment fee ____ | 2,954 | 6,263 | | 9,217 |
| Other (Specify): | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total taxes accrued _____ | \$ 2,954 | \$ 6,263 | | \$ 9,217 |

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning 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 |
|-------------------------------|--------------|-------------------|-----------------------------------|
| Arthur Price | | \$ 2,676 | Repairs & Maint |
| Cronin Jackson Nixon & Wilson | 3,000 | 3,000 | Regulatory and accounting matters |
| Davis Supply | 747 | | Chemicals |
| Gator Water | 4,595 | | Plant Operation |
| M&M Services | - | 1,153 | Construction |
| Rose Sundstrom & Bentley | 5,355 | 5,355 | Legal matters |
| Ash Engineering | 2,258 | | Plant Repairs and Maintenance |
| | | | |
| | | | |
| | | | |
| | | | |

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

| (a) | Water (b) | Wastewater (c) | TOTAL (d) |
|--|--------------|-------------------|--------------|
| 1. Balance first of year _____ | \$ 35,730 | \$ 25,132 | \$ 60,862 |
| 2. Add credits during year: | | | |
| _____ | 320 | 412 | 732 |
| 3. Total _____ | 36,050 | 25,544 | 61,594 |
| 4. Deduct charges during year _____ | | | |
| 5. Balance end of year _____ | 36,050 | 25,544 | 61,594 |
| 6. Less Accumulated Amortization _____ | (15,441) | (20,244) | (35,685) |
| 7. Net CIAC _____ | \$ 20,609 | \$ 5,300 | \$ 25,909 |

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 _____ | | NONE | NONE |
| Report below all capacity charges, main extension charges and customer connections charges received during the year. | | | |
| Description of Charge | Number of Connections | Charge per Connection | |
| Capacity Charges Water | 1 | 320 | 320 |
| Capacity Charges Sewer | 1 | 412 | 412 |
| _____ | | | |
| _____ | | | |
| Total Credits During Year (Must agree with line # 2 above) _____ | | \$ 320 | \$ 412 |

ACCUMULATED AMORTIZATION OF CIAC

| | Water | Wastewater | Total |
|---|-----------|------------|-----------|
| Balance First of Year _____ | \$ 14,292 | \$ 19,474 | \$ 33,766 |
| Add Debits During Year: _____ | 1,149 | 770 | 1,919 |
| Rounding _____ | - | - | |
| Deduct Credits During Year: _____ | - | - | |
| Balance End of Year (Must agree with line #6 above) _____ | \$ 15,441 | \$ 20,244 | \$ 35,685 |

UTILITY NAME: Paradise Lakes Utility LLC

YEAR OF REPORT
December 31, 2005

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)

| CLASS OF CAPITAL (a) | Dollar Amount (1) (b) | Percentage of Capital 0 | Actual Cost Rates (d) | Weighted Cost [c x d] (e) |
|-----------------------------|-----------------------------|----------------------------------|--------------------------------|------------------------------------|
| Common Equity | N/A | % | % | % |
| Preferred Stock | - | - | - | - |
| Long Term Debt | - | - | - | - |
| Customer Deposits | - | - | - | - |
| Tax Credits - Zero Cost | - | - | - | - |
| Tax Credits - Weighted Cost | - | - | - | - |
| Deferred Income Taxes | - | - | - | - |
| Other (Explain) | - | - | - | - |
| Total | \$ - | % | | - |

- (1) Should equal amounts on schedule B, Column (f), Page F-10.
 (2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: None %

Commission order approving AFUDC rate: _____

UTILITY NAME: Paradise Lakes Utility LLC

| |
|--|
| YEAR OF REPORT December 31, 2005 |
|--|

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

| CLASS OF CAPITAL (a) | PER BOOK BALANCE (b) | 0 ADJUSTMENTS (c) | NON-JURIS. ADJUSTMENTS | OTHER (1) ADJUSTMENTS (e) | CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f) |
|-----------------------------|----------------------------|-------------------------|---------------------------|---------------------------------|---|
| Common Equity | N/A | | | | - |
| Preferred Stock | - | | | | - |
| Long Term Debt | | | | | - |
| Customer Deposits | | | | | - |
| Tax Credits - Zero Cost | | | | | - |
| Tax Credits - Weighted Cost | | | | | - |
| Deferred Income Taxes | | | | | - |
| Other (Explain) | | | | | - |
| Total | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

(1) Explain below all adjustments made in Column (e):

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**WATER
OPERATION
SECTION**

WATER UTILITY PLANT ACCOUNTS

| Acct. No. (a) | Account Name (b) | PREVIOUS YEAR (c) | ADDITIONS (d) | RETIREMENTS (e) | CURRENT YEAR (f) |
|---------------|--|-------------------|---------------|-----------------|------------------|
| 301 | Organization_____ | \$ 21,124 | \$ - | \$ - | \$ 21,124 |
| 302 | Franchises_____ | - | - | - | - |
| 303 | Land and Land Rights_____ | 20,400 | - | - | 20,400 |
| 304 | Structure and Improvements_____ | 2,242 | - | - | 2,242 |
| 305 | Collecting and Impounding Reservoirs_____ | - | - | - | - |
| 306 | Lake, River and Other Intakes_____ | - | - | - | - |
| 307 | Wells and Springs_____ | 10,979 | - | - | 10,979 |
| 308 | Infiltration Galleries and Tunnels_____ | - | - | - | - |
| 309 | Supply Mains_____ | 73,851 | - | - | 73,851 |
| 310 | Power Generation Equipment_____ | 3,182 | - | - | 3,182 |
| 311 | Pumping Equipment_____ | 21,244 | - | - | 21,244 |
| 320 | Water Treatment Equipment_____ | 50,079 | - | - | 50,079 |
| 330 | Distribution Reservoirs and Standpipes_____ | 7,955 | - | - | 7,955 |
| 331 | Transmission and Distribution Mains_____ | 36,593 | - | - | 36,593 |
| 333 | Services_____ | 8,327 | - | - | 8,327 |
| 334 | Meters and Meter Installations_____ | 19,643 | - | - | 19,643 |
| 335 | Hydrants_____ | - | - | - | - |
| 339 | Other Plant and Miscellaneous Equipment_____ | - | - | - | - |
| 340 | Office Furniture and Equipment_____ | - | - | - | - |
| 341 | Transportation Equipment_____ | - | 22,137 | - | 22,137 |
| 342 | Stores Equipment_____ | - | - | - | - |
| 343 | Tools, Shop and Garage Equipment_____ | - | - | - | - |
| 344 | Laboratory Equipment_____ | 131 | - | - | 131 |
| 345 | Power Operated Equipment_____ | 532 | - | - | 532 |
| 346 | Communication Equipment_____ | - | - | - | - |
| 347 | Miscellaneous Equipment_____ | - | - | - | - |
| 348 | Other Tangible Plant_____ | - | - | - | - |
| | Total Water Plant_____ | \$ 276,282 | \$ 22,137 | \$ - | \$ 298,419 |

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

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

| ACCT. NO. (a) | ACCOUNT NAME (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) |
|---------------|---|-----------------------------------|--------------------------------|------------------------|--|------------|-------------|--|
| 301 | Organization | 40 | - | 2.50 | \$ 1,904 | \$ - | \$ 528 | \$ 2,432 |
| 302 | Franchises | - | - | - | - | - | - | - |
| 304 | Structure and Improvements | 28 | - | 3.57 | 1,767 | - | 80 | 1,847 |
| 305 | Collecting and Impounding Reservoirs | - | - | - | - | - | - | - |
| 306 | Lake, River and Other Intakes | - | - | - | - | - | - | - |
| 307 | Wells and Springs | 27 | - | 3.70 | 5,952 | - | 406 | 6,358 |
| 308 | Infiltration Galleries and Tunnels | - | - | - | - | - | - | - |
| 309 | Supply Mains | 32 | - | 3.13 | 47,284 | - | 2,312 | 49,596 |
| 310 | Power Generation Equipment | 17 | - | 5.88 | 1,979 | - | 188 | 2,167 |
| 311 | Pumping Equipment | 17 | - | 5.88 | 16,471 | - | 1,249 | 17,720 |
| 320 | Water Treatment Equipment | 17 | - | 5.88 | 33,269 | - | 2,945 | 36,214 |
| 330 | Distribution Reservoirs and Standpipes | 33 | - | 3.03 | 5,526 | - | 241 | 5,767 |
| 331 | Transmission and Distribution Mains | 38 | - | 2.63 | 13,496 | - | 962 | 14,458 |
| 333 | Services | 35 | - | 2.86 | 4,494 | - | 238 | 4,732 |
| 334 | Meters and Meter Installations | 17 | - | 5.88 | 7,868 | - | 1,155 | 9,023 |
| 335 | Hydrants | - | - | - | - | - | - | - |
| 339 | Other Plant and Miscellaneous Equipment | - | - | - | - | - | - | - |
| 340 | Office Furniture and Equipment | - | - | - | - | - | - | - |
| 341 | Transportation Equipment | - | - | - | - | - | 2,214 | 2,214 |
| 342 | Stores Equipment | - | - | - | - | - | - | - |
| 343 | Tools, Shop and Garage Equipment | - | - | - | - | - | - | - |
| 344 | Laboratory Equipment | 15 | - | 6.67 | 131 | - | - | 131 |
| 345 | Power Operated Equipment | 10 | - | 10.00 | 214 | - | 54 | 268 |
| 346 | Communication Equipment | - | - | - | - | - | - | - |
| 347 | Miscellaneous Equipment | - | - | - | - | - | - | - |
| 348 | Other Tangible Plant | - | - | - | - | - | - | - |
| | Totals | | | | \$ 140,355 | \$ - | \$ 12,572 | \$ 152,927 |

* This amount should tie to Sheet F-5
Note: Debits (Column (g)) to adjust to Docket No. 030948-WS

WATER OPERATION AND MAINTENANCE EXPENSE

| Acct. No. | Account Name | Amount |
|-----------|---|-------------|
| 601 | Salaries and Wages - Employees _____ | |
| 603 | Salaries and Wages - Officers, Directors, and Majority Stockholders _____ | |
| 604 | Employee Pensions and Benefits _____ | |
| 610 | Purchased Water _____ | |
| 615 | Purchased Power _____ | 3,106 |
| 616 | Fuel for Power Production _____ | |
| 618 | Chemicals _____ | 747 |
| 620 | Materials and Supplies _____ | 53 |
| 630 | Contractual Services: | |
| | Billing _____ | 600 |
| | Operator and Management _____ | 22,685 |
| | Testing _____ | |
| | Other _____ | 10,650 |
| 640 | Rents _____ | |
| 650 | Transportation Expense _____ | 65 |
| 655 | Insurance Expense _____ | 2,436 |
| 665 | Regulatory Commission Expenses (Amortized Rate Case Expense) _____ | |
| 670 | Bad Debt Expense _____ | |
| 675 | Miscellaneous Expenses _____ | 317 |
| | Total Water Operation and Maintenance Expense _____ | \$ 40,659 * |

* 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 | 116 | 119 | 119 |
| 3/4" | D | 1.5 | | | |
| 1" | D | 2.5 | | | |
| 1 1/2" | D,T | 5.0 | | | |
| General Service | | | | | |
| 5/8" | D | 1.0 | | | |
| 3/4" | D | 1.5 | | | |
| 1" | D | 2.5 | | | |
| 1 1/2" | D,T | 5.0 | | | |
| 2" | D,C,T | 8.0 | 1 | 1 | 8 |
| 3" | D | 15.0 | | | |
| 3" | C | 16.0 | | | |
| 3" | T | 17.5 | | | |
| Unmetered Customers | | 1.0 | 312 | 312 | 312 |
| Other (Specify): _____ | Gen Serv Flat | 31.5 | 1.0 | - | - |
| ** D = Displacement C = Compound T = Turbine | | | Total | 430 | 432 |
| | | | | | 439 |

PUMPING AND PURCHASED WATER STATISTICS

| MONTH (a) | Water Purchased For Resale (Omit 000's) (b) | Finished Water From Wells (Omit 000's) (c) | Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d) | Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e) | Water Sold To Customers (Omit 000's) (f) |
|----------------|--|---|--|--|---|
| January | - | 3,076 | 2,837 | 239 | 239 |
| February | - | 2,741 | 2,492 | 249 | 249 |
| March | - | 1,974 | 1,703 | 271 | 271 |
| April | - | 1,188 | 915 | 273 | 273 |
| May | - | 1,164 | 789 | 375 | 375 |
| June | - | 1,006 | 21 | 985 | 985 |
| July | - | 1,200 | 96 | 1,104 | 1,104 |
| August | - | 921 | 130 | 791 | 791 |
| September | - | 1,164 | 214 | 950 | 950 |
| October | - | 1,374 | 638 | 736 | 736 |
| November | - | 1,465 | 457 | 1,008 | 1,008 |
| December | - | 1,241 | 174 | 1,067 | 1,067 |
| Total for year | N/A | 18,514 | 10,466 | 8,048 | 8,048 |

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:

Note: Column (d) reflects estimated sales to flat rate customers; Column (f) reflects measured gallonage sold to metered customers.

MAINS (Feet)

| Kind of Pipe (Cast Iron, coated steel, etc.) | Diameter of Pipe | First of Year | Added | Removed or Abandoned | End of Year |
|--|------------------|---------------|-------|----------------------|-------------|
| PVC | 2" | Unknown | | - | Unknown |
| PVC | 3" | 939 | | - | 939 |
| PVC | 4" | 1,600 | | - | 1,600 |
| | | | | - | |
| | | | | - | |
| | | | | - | |
| | | | | - | |
| | | | | - | |
| | | | | - | |

**WELLS AND WELL PUMPS
 (If Available)**

| (a) | (b) | (c) | (d) | (e) |
|---|--------------|-------------|-----|-----|
| Year Constructed _____ | 1991 | 1985 | | |
| Types of Well Construction and Casing _____ | Steel Cased | Steel Cased | | |
| Depth of Wells _____ | 450' | Unknown | | |
| Diameters of Wells _____ | 6" | Unknown | | |
| Pump - GPM _____ | 350 | Unknown | | |
| Motor - HP _____ | 15 | 7.5 | | |
| Motor Type * _____ | Submersable | Submersable | | |
| Yeilds of Wells in GPD _____ | 70,000 | Unknown | | |
| Auxillary Power _____ | LP Generator | | | |
| * Submersable, centrifugal, etc. | | | | |

RESERVOIRS

| (a) | (b) | (c) | (d) | (e) |
|-------------------------------------|--------------------------|-----|-----|-----|
| Description (steel, concrete) _____ | Hydro-pneumatic Steel | | | |
| Capacity of Tank _____ | 10,000 gal | | | |
| Ground of Elevated _____ | Ground | | | |

HIGH SERVICE PUMPING

| (a) | (b) | (c) | (d) | (e) |
|--|---------------------|---------------------|-----|-----|
| <u>MOTORS</u> | | | | |
| Manufacturer _____ | Well #1 Franklin | Well #2 Franklin | | |
| Type _____ | Submersable | Submersable | | |
| Rated Horsepower _____ | 15 | 7.5 | | |
| <u>PUMPS</u> | | | | |
| Manufacturer _____ | | | | |
| Type _____ | Submersable | Submersable | | |
| Capacity in GPM _____ | 350 | 130 | | |
| Average Number of Hours Operated Per Day _____ | <1 | | | |
| Auxiliary Power _____ | LP Generator | | | |

UTILITY NAME: Paradise Lakes Utility LLC

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water, etc):

| | | | |
|--------------------------------|---------|-------|-------|
| Gallons per day of source_____ | Unknown | _____ | _____ |
| Type of source_____ | Ground | _____ | _____ |

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:

| | | | |
|---|--------------|-------|-------|
| Type_____ | Unknown | _____ | _____ |
| Make_____ | Unknown | _____ | _____ |
| Permitted Capacity (GPD) | 110,000 | _____ | _____ |
| High service pumping Gallons per minute_____ | Unknown | _____ | _____ |
| Reverse Osmosis_____ | N/A | _____ | _____ |
| Lime treatment Unit Rating_____ | N/A | _____ | _____ |
| Filtration Pressure Sq. Ft._____ | N/A | _____ | _____ |
| Gravity GPD/Sq. Ft._____ | N/A | _____ | _____ |
| Disinfection Chlorinator_____ | Chlorine Gas | _____ | _____ |
| Ozone_____ | N/A | _____ | _____ |
| Other_____ | N/A | _____ | _____ |
| Auxiliary Power_____ | LP Generator | _____ | _____ |

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

| | | |
|-----|---|---------------------------------|
| 1. | Present ERC's * the system can efficiently serve | 441 |
| 2. | Maximum number of ERC's * which can be served | 441 |
| 3. | Present system connection capacity (in ERC's *) using existing lines | 441 |
| 4. | Future connection capacity (in ERC's *) upon service area buildout | 441 |
| 5. | Estimated annual increase in ERC's* | None |
| 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 | 6 private hydrants with 2 pumps |
| 8. | Describe any plans and estimated completion dates for any enlargements or improvements of this system. <u>Preliminary design to interconnect with Mad Hatter Utility, Inc.</u> | |
| 9. | When did the company last file a capacity analysis report with the DEP? | None |
| 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 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? _____ | |
| 11. | Department of Environmental Protection ID # | 6510620 |
| 12. | Water Management District Consumptive Use Permit # | 206223 |
| | 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 available are available for use:
 ERC = (Total SFR gallons sold (omit 000)/365 days/350 gallons per day).

**WASTEWATER
OPERATION
SECTION**

WASTEWATER UTILITY PLANT ACCOUNTS

| Acct. No. (a) | Account Name (b) | Previous Year (c) | Additions (d) | Retirements (e) | Current Year (f) |
|---------------|---|-------------------|------------------|-----------------|-------------------|
| 351 | Organization | \$ 12,381 | \$ - | \$ - | \$ 12,381 |
| 352 | Franchises | - | - | - | - |
| 353 | Land and Land Rights | - | - | - | - |
| 354 | Structure and Improvements | 7,805 | - | - | 7,805 |
| 355 | Power Generation Equipment | - | - | - | - |
| 360 | Collection Sewers - Force | 232,805 | - | - | 232,805 |
| 361 | Collection Sewers - Gravity | 96,593 | - | - | 96,593 |
| 362 | Special Collecting Structures | - | - | - | - |
| 363 | Services to Customers | 13,200 | - | - | 13,200 |
| 364 | Flow Measuring Devices | - | - | - | - |
| 365 | Flow Measuring Installations | - | - | - | - |
| 370 | Receiving Wells | 4,654 | - | - | 4,654 |
| 371 | Pumping Equipment | 754 | - | - | 754 |
| 380 | Treatment and Disposal Equipment | - | - | - | - |
| 381 | Plant Sewers | 45,326 | - | - | 45,326 |
| 382 | Outfall Sewer Lines | 1,620 | - | - | 1,620 |
| 389 | Other Plant and Miscellaneous Equipment | - | - | - | - |
| 390 | Office Furniture and Equipment | - | - | - | - |
| 391 | Transportation Equipment | - | 22,137 | - | 22,137 |
| 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 | 622 | - | - | 622 |
| | Total Sewer Plant | \$ 415,760 | \$ 22,137 | \$ - | \$ 437,897 |

* This amount should tie to Sheet F-5

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

| Acct. No. (a) | Account Name (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) |
|---------------|---|-----------------------------------|--------------------------------|------------------------|--|------------|-------------|--|
| 351 | Organization | 40 | - % | 2.50 % | 824 | - | 310 | 1,134 |
| 352 | Franchises | - | - % | - | - | - | - | - |
| 354 | Structure and Improvements | 27 | - % | 3.70 % | 2,062 | - | 288 | 2,350 |
| 355 | Power Generation Equipment | - | - % | - | - | - | - | - |
| 360 | Collection Sewers - Force | - | - % | - | 71,894 | - | 8,613 | 80,507 |
| 361 | Collection Sewers - Gravity | 40 | - % | 2.50 % | 18,112 | - | 2,414 | 20,526 |
| 362 | Special Collecting Structures (Lift Stations) | - | - % | - | - | - | - | - |
| 363 | Services to Customers | 35 | - % | 2.90 % | 2,829 | - | 378 | 3,207 |
| 364 | Flow Measuring Devices | 5 | - % | 20.00 % | - | - | - | - |
| 365 | Flow Measuring Installations | - | - % | - | - | - | - | - |
| 370 | Receiving Wells (Lift Stations) | - | - % | - | 654 | - | 186 | 840 |
| 371 | Pumping Equipment | 40 | - % | 2.50 % | 75 | - | 51 | 126 |
| 380 | Treatment and Disposal Equipment | 15 | - % | 6.70 % | - | - | - | - |
| 381 | Plant Sewers | - | - % | - | 13,666 | - | 3,024 | 16,690 |
| 382 | Outfall Sewer Lines | - | - % | - | 513 | - | 108 | 621 |
| 389 | Other Plant and Miscellaneous Equipment | 15 | - % | 6.70 % | - | - | - | - |
| 390 | Office Furniture and Equipment | 10 | - % | 10.00 % | - | - | - | - |
| 391 | Transportation Equipment | 5 | - % | 20.00 % | - | - | 2,214 | 2,214 |
| 392 | Stores Equipment | - | - % | - | - | - | - | - |
| 393 | Tools, Shop and Garage Equipment | 10 | - % | 10.00 % | - | - | - | - |
| 394 | Laboratory Equipment | - | - % | - | - | - | - | - |
| 395 | Power Operated Equipment | - | - % | - | - | - | - | - |
| 396 | Communication Equipment | - | - % | - | - | - | - | - |
| 397 | Miscellaneous Equipment | - | - % | - | - | - | - | - |
| 398 | Other Tangible Plant | 5 | - % | 20.00 % | 465 | - | 63 | 528 |
| | Totals | | | | 111,094 | | 17,649 | 128,743 |

* This amount should tie to Sheet F-5

Note: Debits (Column (g)) to adjust to Docket No. 030948-WS

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

| Acct. No. | Account Name | Amount |
|-----------|---|-------------|
| 701 | Salaries and Wages - Employees _____ | |
| 703 | Salaries and Wages - Officers, Directors, and Majority Stockholders _____ | |
| 704 | Employee Pensions and Benefits _____ | |
| 710 | Purchased Wastewater Treatment _____ | 36,990 |
| 711 | Sludge Removal Expense _____ | |
| 715 | Purchased Power _____ | 1,348 |
| 716 | Fule for Power Production _____ | |
| 718 | Chemicals _____ | |
| 720 | Materials and Supplies _____ | 53 |
| 730 | Contractual Services: | |
| | Operator and Management _____ | 25,090 |
| | Testing _____ | |
| | Other _____ | 13,901 |
| 740 | Rents _____ | |
| 750 | Transportation Expense _____ | 65 |
| 755 | Insurance Expense _____ | 2,436 |
| 765 | Regulatory Commission Expenses (Amortized Rate Case Expense) _____ | |
| 770 | Bad Debt Expense _____ | |
| 775 | Miscellaneous Expenses _____ | 5,487 |
| | Total Wastewater Operation and Maintenance Expense _____ | \$ 85,370 * |

* This amount should tie to Sheet F-3.

WASTEWATER 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 | 115 | 118 | 118 |
| 3/4" | D | 1.5 | | | |
| 1" | D | 2.5 | | | |
| 1 1/2" | D,T | 5.0 | | | |
| General Service | | | | | |
| 5/8" | D | 1.0 | | | |
| 3/4" | D | 1.5 | | | |
| 1" | D | 2.5 | 1 | 1 | 3 |
| 1 1/2" | D,T | 5.0 | | | |
| 2" | D,C,T | 8.0 | 1 | 1 | 8 |
| 3" | D | 15.0 | | | |
| 3" | C | 16.0 | | | |
| 3" | T | 17.5 | | | |
| Unmetered Customers | | 1.0 | 312 | 312 | 312 |
| Other (Specify): | Gen Serv Flat | 31.5 | 1 | 1 | 32 |
| Total | | | 430 | 433 | 472 |

** D = Displacement
C = Compound
T = Turbine

PUMPING EQUIPMENT

| | | | | | | | |
|---|-------------------|-------------------|--------------|--------------|-------|-------|-------|
| Lift station number _____ | <u>1</u> | <u>1</u> | <u>2</u> | <u>2</u> | _____ | _____ | _____ |
| Make or type and nameplate data of pump _____ | <u>Hydromatic</u> | <u>Hydromatic</u> | <u>Ebara</u> | <u>Ebara</u> | _____ | _____ | _____ |
| Year installed _____ | <u>1997</u> | <u>1997</u> | <u>1997</u> | <u>1997</u> | _____ | _____ | _____ |
| Rated capacity (GPM) _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Size (HP) _____ | <u>15</u> | <u>15</u> | <u>5</u> | <u>5</u> | _____ | _____ | _____ |
| Power: | | | | | | | |
| Electric _____ | <u>X</u> | <u>X</u> | <u>X</u> | <u>X</u> | _____ | _____ | _____ |
| Mechanical _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Nameplate data of motor _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |

SERVICE CONNECTIONS

| | | | | | | | |
|---|------------|-------|-------|-------|-------|-------|-------|
| Size (inches) _____ | <u>4"</u> | _____ | _____ | _____ | _____ | _____ | _____ |
| Type (PVC, VCP, etc) _____ | <u>PVC</u> | _____ | _____ | _____ | _____ | _____ | _____ |
| Average length _____ | <u>30'</u> | _____ | _____ | _____ | _____ | _____ | _____ |
| Number of active service connections _____ | <u>339</u> | _____ | _____ | _____ | _____ | _____ | _____ |
| Beginning of year _____ | <u>339</u> | _____ | _____ | _____ | _____ | _____ | _____ |
| Added during year _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Retired during year _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| End of year _____ | <u>339</u> | _____ | _____ | _____ | _____ | _____ | _____ |
| Give full particulars concerning inactive connections _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |

COLLECTING AND FORCE MAINS AND MANHOLES

| | Collecting Mains | | | | Force Mains | | | |
|--------------------------------|------------------|-------|-------|-------|-------------|------------|------------|-------|
| Size (inches) _____ | _____ | _____ | _____ | _____ | <u>6"</u> | <u>3"</u> | <u>2"</u> | _____ |
| Type of main _____ | _____ | _____ | _____ | _____ | <u>PVC</u> | <u>PVC</u> | <u>PVC</u> | _____ |
| Length of main (nearest foot): | _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Beginning of year _____ | _____ | _____ | _____ | _____ | <u>600</u> | <u>250</u> | <u>0</u> | _____ |
| Added during year _____ | _____ | _____ | _____ | _____ | _____ | _____ | <u>60</u> | _____ |
| Retired during year _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| End of year _____ | _____ | _____ | _____ | _____ | <u>600</u> | <u>250</u> | <u>60</u> | _____ |

MANHOLES:

| | | | | |
|---------------------------|-----------------|-------|-------|-------|
| Size _____ | <u>48"</u> | _____ | _____ | _____ |
| Type _____ | <u>Concrete</u> | _____ | _____ | _____ |
| Number: | | | | |
| Beginning of year _____ | <u>14</u> | _____ | _____ | _____ |
| Added during year _____ | _____ | _____ | _____ | _____ |
| Retired during year _____ | _____ | _____ | _____ | _____ |
| End of year _____ | <u>14</u> | _____ | _____ | _____ |

TREATMENT PLANT

| | | | |
|--|-----------|-------|-------|
| Manufacturer_____ | None | _____ | _____ |
| Type_____ | Purchased | _____ | _____ |
| "Steel" or "Concrete"_____ | N/A | _____ | _____ |
| Total Capacity_____ | N/A | _____ | _____ |
| Average Daily Flow_____ | 24005 | _____ | _____ |
| Effluent Disposal_____ | N/A | _____ | _____ |
| Total Gallons of Wastewater Treated_____ | 8,762,000 | _____ | _____ |

MASTER LIFT STATION PUMPS

| | | | | | | |
|-------------------------------------|------------|------------|-------|-------|-------|-------|
| Manufacturer_____ | Hydromatic | Hydromatic | _____ | _____ | _____ | _____ |
| Capacity (GPM)_____ | Unknown | Unknown | _____ | _____ | _____ | _____ |
| Motor: | | | | | | |
| Manufacturer_____ | Unknown | Unknown | _____ | _____ | _____ | _____ |
| Horsepower_____ | 15 | 15 | _____ | _____ | _____ | _____ |
| Power (Electric or Mechanical)_____ | Electric | Electric | _____ | _____ | _____ | _____ |

PUMPING WASTEWATER STATISTICS

| Months | Gallons of Treated (Purchased) Wastewater | Effluent Reuse Gallons to Customers | Effluent Gallons Disposed of on site |
|---------------------|---|-------------------------------------|--------------------------------------|
| January_____ | 1267000 | None | 1267000 |
| February_____ | 1376000 | _____ | 1376000 |
| March_____ | 1387000 | _____ | 1387000 |
| April_____ | 1302000 | _____ | 1302000 |
| May_____ | 525000 | _____ | 525000 |
| June_____ | 829000 | _____ | 829000 |
| July_____ | 396000 | _____ | 396000 |
| August_____ | 201000 | _____ | 201000 |
| September_____ | 464000 | _____ | 464000 |
| October_____ | 514000 | _____ | 514000 |
| November_____ | 365000 | _____ | 365000 |
| December_____ | 136000 | _____ | 136000 |
| Total for year_____ | 8,762,000 | _____ | 8,762,000 |

If Wastewater Treatment is purchased, indicate the vendor:

OTHER WASTEWATER SYSTEM INFORMATION

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

| | |
|---|-------------|
| 1. Present ERC's * that system can efficiently serve. | <u>440</u> |
| 2. Maximum number of ERC's * which can be served. | <u>440</u> |
| 3. Present system connection capacity (in ERC's *) using existing lines. | <u>440</u> |
| 4. Future system connection capacity (in ERC's *) upon service area buildout. | <u>440</u> |
| 5. Estimated annual increase in ERC's * . | <u>None</u> |
| 8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. | <u>None</u> |

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.

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? No

N/A

9. Has the utility been required by the DEP or water management district to implement reuse? N/A

If so, what are the utility's plans to comply with the DEP? N/A

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

11. If the present system does not meet the requirements of DEP rules:

a. Attach a description of the plant upgrade necessary to meet the DEP rules.

b. Have these plans been approved by DEP? N/A

c. When will cor N/A

d. Attach plans for funding the required upgrading. N/A

e. Is this system under any Consent Order of the DEP? N/A

11. Department of Environmental Protection ID # N/A

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 sold (Omit 000) / 365 days / 280 gallons per day)

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

| ITEMS CERTIFIED | | | |
|-----------------|-------|-------|-------|
| 1. | 2. | 3. | 4. |
| (X) | (X) | (X) | (X) |
| () | () | () | () |



 (signature of chief executive officer of the utility)

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

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

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

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class C**

Company:

Paradise Lakes Utility LLC

For the Year Ended December 31, 2005

| (a) | (b) | (c) | (d) |
|--|-----------------------------------|-------------------------------------|----------------------|
| Accounts | Gross Water Revenues per Sch. F-3 | Gross Water Revenues per RAF Return | Difference (b) - (c) |
| Gross Revenue: | | | |
| Residential | \$ 65,636 | \$ 65,636 | \$ - |
| Commercial | - | - | - |
| Industrial | - | - | - |
| Multiple Family | - | - | - |
| Guaranteed Revenues | - | - | - |
| Other | - | - | - |
| Total Water Operating Revenue | \$ 65,636 | \$ 65,636 | \$ - |
| LESS: Expense for Purchased Water from FPSC-Regulated Utility | \$ - | \$ - | \$ - |
| Net Water Operating Revenues | \$ 65,636 | \$ 65,636 | \$ - |

Explanations:

Instructions:

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

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations
Class C**

Company:

Paradise Lakes Utility LLC

For the Year Ended December 31, 2005

| (a) | (b) | (c) | (d) |
|---|--|--|-------------------------|
| Accounts | Gross Wastewater Revenues per Sch. F-3 | Gross Wastewater Revenues per RAF Return | Difference (b) - (c) |
| Gross Revenue: | | | |
| Residential | \$ 139,181 | \$ 139,181 | \$ - |
| Commercial | - | - | - |
| Industrial | - | - | - |
| Multiple Family | - | - | - |
| Guaranteed Revenues | - | - | - |
| Other | - | - | - |
| Total Wastewater Operating Revenue | \$ 139,181 | \$ 139,181 | \$ - |
| LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility | - | - | - |
| Net Wastewater Operating Reveunes | \$ 139,181 | \$ 139,181 | \$ - |

Explanations:

Instructions:

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