

CLASS "B"

WATER and/or SEWER UTILITIES

(Gross Revenue of \$150,000 or More but Less Than \$750,000 Each)

ANNUAL REPORT

OF

Lake Utility Company

527-W/461-S

Certificate Number(s)



FOR THE

YEAR ENDED DECEMBER 31, 1998

OFFICIAL COPY

DIVISION OF

WATER AND SEWER

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Florida Public Service Commission
Division of Water and Wastewater

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Cronin, Jackson, Nixon & Wilson
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April 20, 1999

**Officers and Directors
Lake Utility Company**

We have compiled the 1998 Annual Report of Lake Utility Company 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 Lake Utility Company. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

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

Cronin, Jackson, Nixon & Wilson

CRONIN, JACKSON, NIXON & WILSON

General Instructions

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Sewer Utilities.
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which will create a permanent record, such as by typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule of the page with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
- 10 The report should be filled out in quadruplicate and the original and two copies returned by March 31 of the year following the date of the report. The report should be returned to:

Florida Public Service Commission
Division of Water and Sewer
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

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EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

YEAR OF REPORT
December 31, 1998

UTILITY NAME: Lake Utility Company

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

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

The Plantation at Leesburg Limited Partnership
By: Lakewood Development Co. LLC
A North Carolina Limited Liability Company,
General Partner
D.B.A. The Plantation at Leesburg
LAKE UTILITY CO.

Items Certified

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

Earl Phillips, President

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

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

N/A

(signature of the chief financial officer of the utility)

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

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

ANNUAL REPORT OF

Lake Utility Company
(Exact Name of Utility)

County: Lake

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

25201 U.S. Highway 27 South
Leesburg, Florida 34748

Telephone: (352) 365-1515

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

Robert C. Nixon, CPA
Cronin, Jackson, Nixon and Wilson, CPA's
2560 Gulf-to-Bay Blvd, Suite 200
Clearwater, Florida 34625

Telephone: (727) 791-4020

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

25201 U.S. Highway 27 South
Leesburg, Florida 34748

Telephone: (352) 365-1515

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

Date of original organization of the utility:

11 / 1 / 88

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

Individual Partnership Sub S Corporation 1120 Corporation

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

	Name	Percent Ownership
1.	The Plantation at Leesburg Limited Partnership	100 %
2.		%
3.		%
4.		%
5.		%
6.		%
7.		%
8.		%
9.		%
10.		%

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1)(2)	TITLE OR POSITION	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Earl H. Thiele	Director of Operations	The Plantation at Leesburg	General matters
Robert C. Nixon	CPA	Cronin, Jackson Nixon & Wilson	Rate and accounting matters
F. Marshall Deterding	Attorney	Rose, Sundstrom & Bentley	Legal 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.

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

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.

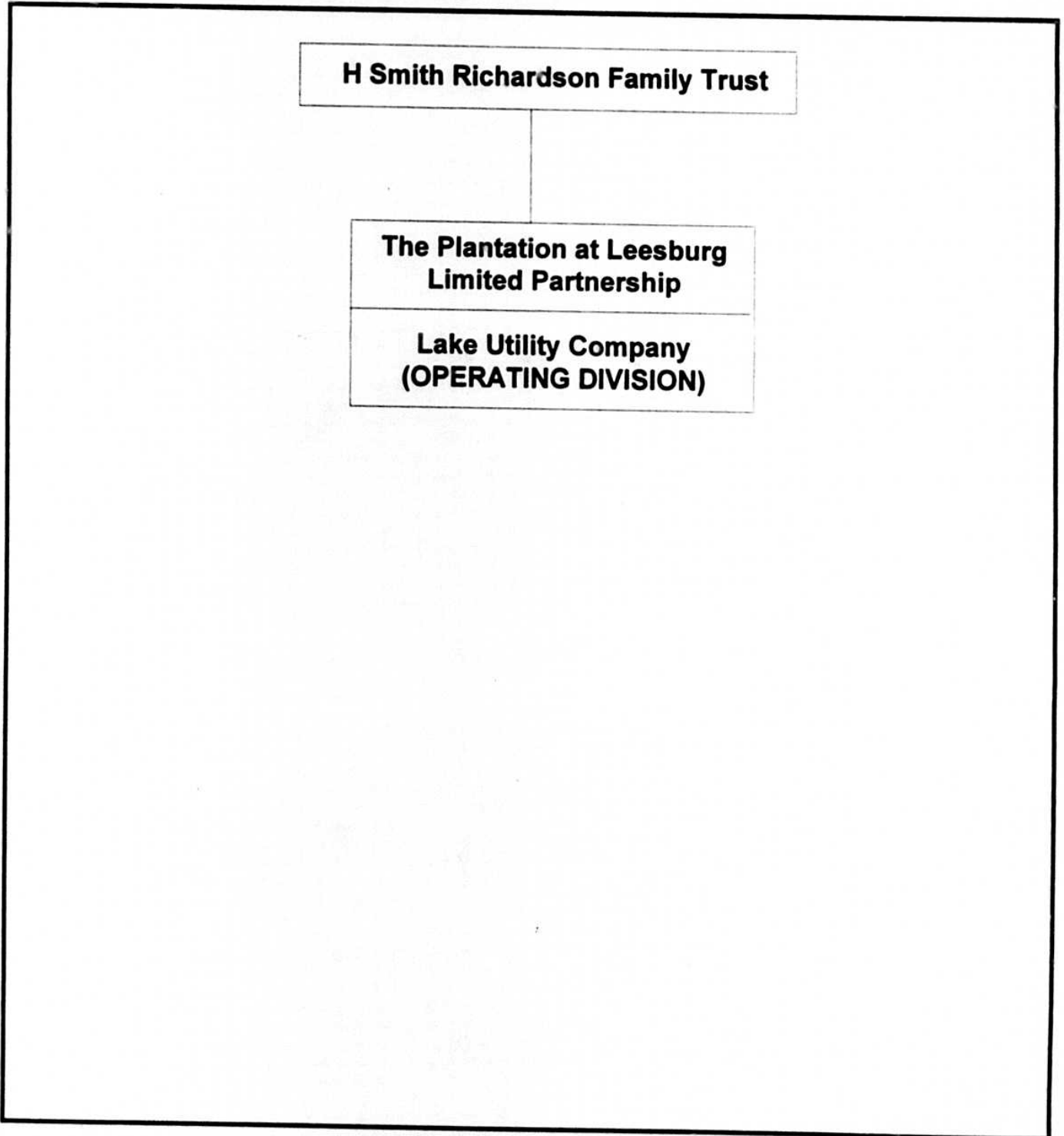
- A. The Company was organized in 1988 to provide water and sewer service to the residents of The Plantation at Leesburg subdivision in Lake County.
- B. The Company provides water and wastewater service.
- C. Major goals and objectives are to provide adequate service, keep pace with growth in the Company's service area and provide a fair rate of return to the Company's owners.
- D. Water and sewer divisions, land sales and construction
- E. The Company expects continued annual growth of approximately 150 new connections per year.
- F. None

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/98

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



UTILITY NAME: Lake Utility Company

YEAR OF REPORT December 31, 1998
--

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Earl H. Thiele	Director Of Operations	20 % % % % % % % % %	\$ None \$ \$ \$ \$ \$ \$ \$ \$

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.

NAME (a)	TITLE (b)	NUMBER OF DIRECTORS MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
N/A			\$ \$ \$ \$ \$ \$ \$ \$ \$

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

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 (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
None			

* 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: Lake Utility Company

YEAR OF REPORT
December 31, 1998

AFFILIATION OF OFFICERS AND DIRECTORS

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

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Earl H. Thiele	Director of Operations	Manager	The Plantation at Leesburg Limited Partnership

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

**BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT
OF PROVIDING WATER OR SEWER SERVICE**

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

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

UTILITY NAME: Lake Utility Company

YEAR OF REPORT December 31, 1998
--

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

<ul style="list-style-type: none"> - management, legal and accounting services - computer services - engineering & construction services - repairing and servicing of equipment 	<ul style="list-style-type: none"> - material and supplies furnished - leasing of structures, land and equipment - rental transactions - sale, purchase or transfer of various products
---	---

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
H. Smith Richardson Family Trust	Accounting, Tax, Payroll & Management	Open	P	68,800
Plantation at Leesburg, Ltd	Rent, overhead, on-site office and management personnel, billing and customer accounts	Open	P	103,200

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

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

1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.
2. 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 dividends other than stock dividends.
 - writeoff of bad debts or loans.
3. 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 (column (c) - column (d)).
 - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
None		\$	\$	\$	\$

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

**COMPOSITE STATISTICS FOR ALL
PRIVATELY OWNED WATER AND SEWER UTILITIES UNDER AGENCY JURISDICTION**

DESCRIPTION (a)	WATER (b)	SEWER (c)
PLANT (Intrastate Only)(000's Omitted):		
Plant in Service _____	\$ 2,285	\$ 4,001
Construction Work In Progress _____		
Plant Acquisition Adjustment _____		
Plant Held For Future Use _____		
Materials and Supplies _____		
Less:		
Accumulated Depreciation and Accumulated Amortization _____	480	807
Contributions In Aid Of Construction (Net) _____	1,009	770
Net Book Cost _____	\$ 796	\$ 2,424
REVENUES AND EXPENSES (Intrastate Only)(000's Omitted):		
Operating Revenues _____	\$ 609	\$ 495
Depreciation and Amortization Expense _____	\$ 38	\$ 132
Income Tax Expense _____		
Taxes Other Than Income _____	73	56
Other Operating Expenses _____	391	192
Total Operating Expenses _____	\$ 502	\$ 380
Net Operating Income _____	\$ 107	\$ 115
Other Income _____	\$ 1	\$ 0
Other Income Deductions _____	231	231
Net Income _____	\$ (123)	\$ (116)
CUSTOMERS (Intrastate Only):		
Residential - Yearly Average _____	1,287	1,270
Commercial - Yearly Average _____	51	7
Industrial - Yearly Average _____		
Others - Yearly Average _____		
Total _____	1,338	1,277
OTHER STATISTICS (Intrastate Only):		
Average Annual Residential Use Per 1,000 Gallons (1) _____	206	34
Average Annual Residential Cost Per 1,000 Gallons (1) _____	\$ 1.82	\$ 8.72
Average Residential Monthly Bill _____	\$ 31.72	\$ 32.02
Gross Plant Investment Per Customer _____	\$ 1,708	\$ 3,133

(1) Averages for all customers - data not available for residential only

FINANCIAL

SECTION

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-105	Utility Plant _____	F-5	\$ 6,286,330	\$ 5,951,854
108-110	Less: Accumulated Depreciation and Amortization _____	F-6	(1,286,924)	(1,056,639)
	Net Plant _____		4,999,406	4,895,215
114-115	Utility Plant Acquisition _____			
	Adjustments (Net) _____	F-5		
	Other Plant Adjustments (specify) _____			
	Total Net Utility Plant _____		4,999,406	4,895,215
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property _____	F-7		
122	Less: Accumulated Depreciation and Amortization _____			
	Net Nonutility Property _____			
123	Investment in Associated Companies _____	F-8		
124	Utility Investments _____	F-8		
125	Other Investments _____	F-8		
127	Special Funds _____	F-8		
	Total Other Property and Investments _____			
CURRENT AND ACCRUED ASSETS				
131	Cash _____		155,414	176,110
132	Special Deposits _____	F-7		
134	Working Funds _____			
135	Temporary Cash Investments _____			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts _____	F-9	84,661	43,344
145	Accounts Receivable from Associated Companies _____	F-10		
146	Notes Receivable from Associated Companies _____	F-10		
151	Materials and Supplies _____			
162	Prepayments _____	F-11	(785)	
171	Accrued Interest and Dividends Receivable _____			
174	Misc. Current and Accrued Assets _____		6,814	16,190
	Total Current and Accrued Assets _____		246,104	235,644

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31 1998

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense _____	F-12		
182	Extraordinary Property Losses _____	F-12		
186	Misc. Deferred Debits _____	F-11		
190	Accumulated Deferred Income Taxes _____			
	Total Deferred Debits _____			
	TOTAL ASSETS AND OTHER DEBITS _____		\$ 5,245,510	\$ 5,130,859

NOTES TO THE BALANCE SHEET

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

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued _____	F-14	\$ _____	\$ _____
204	Preferred Stock Issued _____	F-14	_____	_____
211	Other Paid-in Capital _____		_____	_____
212	Discount on Capital Stock _____		_____	_____
213	Capital Stock Expense _____		_____	_____
214-215	Retained Earnings (Deficit) _____	F-15	_____	_____
216	Reacquired Capital Stock _____		_____	_____
218	Proprietary Capital (Proprietorship and Partnership Only) _____		(1,511,469)	(1,272,966)
	Total Equity Capital (Deficit) _____		(1,511,469)	(1,272,966)
LONG TERM DEBT				
221	Bonds _____	F-16	_____	_____
223	Advances from Associated Companies _____	F-16	_____	_____
224	Other Long Term Debt _____	F-14	4,914,693	4,748,078
	Total Long Term Debt _____		4,914,693	4,748,078
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable _____		13,294	16,554
232	Notes Payable _____	F-13	_____	_____
233	Accounts Payable to Associated Co. _____	F-13	_____	_____
234	Notes Payable to Associated Co. _____	F-13	_____	_____
235	Customer Deposits _____		_____	_____
236	Accrued Taxes _____	F-17	49,671	40,540
237	Accrued Interest _____	F-18	_____	_____
238	Accrued Dividends _____		_____	_____
239	Matured Long Term Debt _____		_____	_____
240	Matured Interest _____		_____	_____
241	Miscellaneous Current and Accrued Liabilities _____	F-19	_____	_____
	Total Current and Accrued Liabilities _____		62,965	57,094

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt _____	F-12	\$ _____	\$ _____
252	Advances for Construction _____	F-19	_____	_____
253	Other Deferred Credits _____		_____	_____
255	Accumulated Deferred Investment Tax Credits _____		_____	_____
	Total Deferred Credits _____		_____	_____
OPERATING RESERVES				
261	Property Insurance Reserve _____		_____	_____
262	Injuries and Damages Reserve _____		_____	_____
263	Pensions and Benefits Reserve _____		_____	_____
265	Miscellaneous Operating Reserves _____		_____	_____
	Total Operating Reserves _____		_____	_____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction _____	F-20	2,054,450	1,806,125
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-21	(275,129)	(207,472)
	Total Net C.I.A.C. _____		1,779,321	1,598,653
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation _____		_____	_____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation _____		_____	_____
283	Accumulated Deferred Income Taxes - Other _____		_____	_____
	Total Accum. Deferred Income Taxes _____		_____	_____
	TOTAL EQUITY CAPITAL AND LIABILITIES _____		\$ 5,245,510	\$ 5,130,859

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

COMPARATIVE OPERATING INCOME

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues _____	\$ 900,896	F-3(b)	\$ 1,103,833
401	Operating Expenses _____	499,217	F-3(b)	582,913
403	Depreciation Expense _____	141,149	F-6	170,188
406	Amortization of Utility Plant Acquisition Adjustment _____			
407	Amortization Expense _____			
408.1	Taxes Other Than Income _____	111,885	F-17	128,696
409.1	Income Taxes _____		F-17	
410.10	Deferred Federal Income Taxes _____			
411.10	Provision for Deferred Income Taxes - Credit _____			
412.10	Investment Tax Credits Deferred to Future Periods _____			
412.11	Investment Tax Credits Restored to Operating Income _____			
	Utility Operating Expenses _____	752,251		881,797
	Utility Operating Income _____	148,645		222,036
413	Income From Utility Plant Leased To Others _____			
414	Gains (Losses) From Disposition of Utility Property _____			
	Total Utility Operating Income [Enter here and on Page F-3(c)] _____	148,645		222,036

COMPARATIVE OPERATING INCOME

REF. PAGE (f)	WATER (g)	REF. PAGE (h)	SEWER (c)	OTHER (e)
W-3	\$ 608,677	S-3	\$ 495,156	\$ N/A
W-2	390,500	S-2	192,413	
F-6	38,408	F-6	131,780	
F-6		F-6		
F-17	73,338	F-17	55,358	
F-17		F-17		
	502,246		379,551	
	106,431		115,605	
	\$ 106,431		\$ 115,605	\$ N/A

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
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COMPARATIVE OPERATING INCOME (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [From Page F-3(a)]	148,645		222,036
	OTHER INCOME AND DEDUCTIONS			
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income			683
420	Allowance for Funds Used During Construction			
421	Nonutility Income			
426	Miscellaneous Nonutility Expenses			
	Total Other Income and Deductions			683
	TAXES APPLICABLE TO OTHER INCOME			
408.20	Taxes Other Than Income		F-17	
409.20	Income Taxes		F-17	
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
	Total Taxes Applicable to Other Income			
	INTEREST EXPENSE			
427	Interest Expense	433,951	F-18	461,222
428	Amortization of Debt Discount & Expense		F-12	
429	Amortization of Premium on Debt		F-12	
	Total Interest Expense	433,951		461,222
	EXTRAORDINARY ITEMS			
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
	Total Extraordinary Items			
	NET INCOME	\$ (285,306)		\$ (238,503)

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
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SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	SEWER UTILITY (e)
101	Utility Plant In Service _____	F-5	\$ 2,285,240	\$ 4,001,090
	Less:			
	Nonused and Useful Plant (1) _____			637,744
108.1	Accumulated Depreciation _____	F-6	479,559	807,365
110.1	Accumulated Amortization _____	F-6		
271	Contributions in Aid of Construction _____	F-20	1,151,900	902,550
252	Advances for Construction _____	F-19		
	Subtotal _____		653,781	1,653,431
	Additions:			
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-21	142,504	132,625
	Subtotal _____		796,285	1,786,056
	Plus or Minus:			
114	Acquisition Adjustments (2) _____	F-5		
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5		
	Working Capital Allowance (3) _____		48,813	24,052
	Other (Specify): _____			

	RATE BASE _____		\$ 845,098	\$ 1,810,108
	UTILITY OPERATING INCOME _____		\$ 106,431	\$ 115,605
	ACHIEVED RATE OF RETURN _____		12.59 %	6.39 %

NOTES:

- (1) Estimated if not known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculated using the 1/8th of O & M method.

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
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UTILITY PLANT (ACCTS. 101 - 106)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
	Plant Accounts				
101	Utility Plant In Service	\$ 2,285,240	\$ 4,001,090	\$ N/A	\$ 6,286,330
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress				
	Total Utility Plant	\$ 2,285,240	\$ 4,001,090	\$	\$ 6,286,330

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115)

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):				
	\$	\$	\$	\$
Total Plant Acquisition Adjs.				
ACCUMULATED AMORTIZATION (115):				
Total Accumulated Amortization				
Net Acquisition Adjustments	\$ N/A	\$ N/A	\$ N/A	\$ N/A

UTILITY NAME: Lake Utility Company

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ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ 416,691	\$ 639,948	\$ N/A	\$ 1,056,639
Credits during year:				
Accruals charged:				
to Account 108	70,428	167,417		237,845
Accruals charged other accounts (specify)				
Salvage				
Other Credits (specify)				
Total credits	70,428	167,417		237,845
Debits during year:				
Book cost of plant retired	7,560			7,560
Cost of removal				
Other debits (specify)				
Total debits	7,560			7,560
Balance end of year	\$ 479,559	\$ 807,365	\$ N/A	\$ 1,286,924

ACCUMULATED AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	N/A			
Credits during year:				
Accruals charged:				
to Account 110				
Accruals charged other accounts (specify)				
Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				
Total debits				
Balance end of year	\$	\$	\$	\$

UTILITY NAME: Lake Utility Company

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ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 141 - 144)

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

DESCRIPTION (a)	TOTAL (b)
ACCOUNTS RECEIVABLE:	
Customer Accounts Receivable (Acct. 141):	
Water__ (Water & Sewer Combined) _____	\$ 84,661
Sewer_____	
Other_____	
Total Customer Accounts Receivable_____	84,661
OTHER ACCOUNTS RECEIVABLE (Acct. 142):	
_____	\$ _____

Total Other Accounts Receivable_____	
NOTES RECEIVABLE (Acct. 144):	
_____	\$ _____

Total Notes Receivable _____	
Total Accounts and Notes Receivable_____	84,661
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Acct. 143):	
Balance First of Year_____ N/A _____	\$ _____
Add: Provision for uncollectables for current year _____	
Collections of accounts previously written off _____	
Utility accounts _____	
Others _____	
Total Additions_____	
Deduct accounts written off during year:	
Utility accounts _____	
Others _____	
Total accounts written off _____	
Balance end of year _____	
Total Accounts and Notes Receivable - Net _____	\$ 84,661

UTILITY NAME: Lake Utility Company

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PREPAYMENTS (ACCT. 162)

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance _____	\$ (785)
Prepaid Rents _____	_____
Prepaid Interest _____	_____
Prepaid Taxes _____	_____
Other Prepayments (Specify): _____ _____	_____
Total Prepayments _____	\$ (785)

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186):

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1) _____	\$ _____
Other Deferred Debits (Acct 186.2) _____ _____	_____
Total Miscellaneous Deferred Debits _____	\$ NONE

N/A	\$	\$
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense _____	\$	\$
UNAMORTIZED PREMIUM ON DEBT (Acct. 251):		
N/A	\$	\$
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt _____	\$	\$

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.	
DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182):	
N/A	\$
_____	_____
_____	_____
_____	_____
Total Extraordinary Property Losses _____	\$

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
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NOTES PAYABLE (ACCTS. 232 AND 234)

DESCRIPTION (a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
			RATE (d)	FREQUENCY OF PAYMENT (e)	
ACCOUNT 232 - NOTES PAYABLE:					
N/A			%		\$
			%		
			%		
			%		
			%		
Total Account 232					\$
ACCOUNT 234 - NOTES PAYABLE TO ASSOCIATED COMPANIES:					
N/A			%		\$
			%		
			%		
			%		
			%		
Total Account 234					\$

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

Report each account payable separately.

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

UTILITY NAME: Lake Utility Company

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STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock.
Show amounts of 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 _____ N/A _____	\$ _____
439	Changes to account:	
	Adjustments to Retained Earnings (requires Commission approval prior to use):	
	Credits:	

	Total Credits _____	
	Debits:	

435	Total Debits _____	
436	Balance transferred from Income _____	
	Appropriations of Retained Earnings:	

	Total appropriations of Retained Earnings _____	
437	Dividends declared:	
	Preferred stock dividends declared _____	
438	Common stock dividends declared _____	

	Total Dividends Declared _____	
	Balance end of year _____	
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	

	Total Appropriated Retained Earnings _____	
	Total Retained Earnings _____	\$ _____

Notes to Statement of Retained Earnings:

The Company is a partnership

UTILITY NAME: Lake Utility Company

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ACCRUED TAXES (ACCT. 236)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER (e)	TOTAL (f)
	Balance First of Year _____	\$ 21,212	\$ 19,328	\$ N/A	\$ 40,540
	Accruals Charged:				
408.10	Utility Regulatory				
	Assessment Fees _____	27,390	22,281		49,671
408.11	Property Taxes _____	38,624	31,602		70,226
408.12	Payroll Taxes _____	6,998	1,409		8,407
408.13	Other Taxes & Licenses _____	326	66		392
409.10	Federal Income Taxes _____				
409.11	State Income Taxes _____				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) _____				
	Total Taxes Accrued _____	73,338	55,358		128,696
	Taxes Paid During Year:				
408.10	Utility Regulatory				
	Assessment Fees _____	21,212	19,328		40,540
408.11	Property Taxes _____	38,624	31,602		70,226
408.12	Payroll Taxes _____	6,998	1,409		8,407
408.13	Other Taxes & Licenses _____	326	66		392
409.10	Federal Income Taxes _____				
409.11	State Income Taxes _____				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) _____				
	Total Taxes Paid _____	67,160	52,405		119,565
	Balance End of Year _____	\$ 27,390	\$ 22,281	\$ N/A	\$ 49,671

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
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ACCRUED INTEREST (ACCT. 237)

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - ACCRUED INTEREST ON LONG TERM DEBT:					
Division Payable - Water	\$ 0	427	\$ 90,913	\$ 90,913	\$ 0
Division Payable - Sewer	0	427	370,309	370,309	0
Total Account No. 237.1	0		461,222	461,222	0
ACCOUNT NO. 237.2 - ACCRUED INTEREST ON OTHER LIABILITIES:					
Total Account 237.2					
Total Account 237	\$ 0		\$ 461,222	\$ 461,222	\$ 0

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

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT. (d)	AMOUNT (e)
N/A	\$	\$		\$
Total	\$	\$		\$

UTILITY NAME: Lake Utility Company

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

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

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

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year _____		\$ _____
Reconciling items for the year:		
Taxable income not reported on the books:		
_____		_____
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
_____		_____
_____		_____
_____		_____
_____		_____
Income recorded on books not deducted for return:		
_____		_____
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income _____		\$ _____
Computation of tax:		
The Company is a partnership; therefore, this schedule is not applicable.		

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

UTILITY NAME: Lake Utility Company

YEAR OF REPORT December 31, 1998
--

SCHEDULE "A"

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	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	\$ N/A	%		%

- (1) Should equal amounts on Schedule B, Column (f), page F-25.
- (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: <u>9.75 %</u>
Commission order approving AFUDC rate: <u>22846</u>

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

UTILITY NAME: Lake Utility Company

YEAR OF REPORT December 31, 1998
--

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	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>N/A</u>	\$	\$	\$	\$

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

WATER

OPERATION

SECTION

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
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WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
301	Organization _____	\$ 27,575	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____
303	Land and Land Rights _____	7,930	_____	_____
304	Structure and Improvements _____	89,556	_____	_____
305	Collecting and Impounding Reservoirs _____	_____	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____
307	Wells and Springs _____	155,407	53,247	_____
308	Infiltration Galleries and Tunnels _____	_____	_____	_____
309	Supply Mains _____	_____	_____	_____
310	Power Generation Equipment _____	35,138	51,619	_____
311	Pumping Equipment _____	32,866	_____	_____
320	Water Treatment Equipment _____	23,077	_____	_____
330	Distribution Reservoirs and Standpipes _____	_____	_____	_____
331	Transmission and Distribution Mains _____	1,208,664	62,039	_____
333	Services _____	231,772	15,172	_____
334	Meters and Meter Installations _____	77,386	17,633	(7,560)
335	Hydrants _____	159,336	11,027	_____
339	Other Plant and Miscellaneous Equipment _____	_____	_____	_____
340	Office Furniture and Equipment _____	_____	_____	_____
341	Transportation Equipment _____	12,182	5,961	_____
342	Stores Equipment _____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	_____	_____	_____
344	Laboratory Equipment _____	_____	_____	_____
345	Power Operated Equipment _____	_____	_____	_____
346	Communication Equipment _____	_____	_____	_____
347	Miscellaneous Equipment _____	15,213	_____	_____
348	Other Tangible Plant _____	_____	_____	_____
	Total Water Plant _____	\$ 2,076,102	\$ 216,698	\$ (7,560)

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

WATER UTILITY PLANT MATRIX

CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (h)	.3 WATER TREATMENT PLANT (i)	.4 TRANSMISSION AND DISTRIBUTION PLANT (j)	.5 GENERAL PLANT (k)
\$ 27,575	\$ 27,575				
7,930		\$	\$	\$ 7,930	\$
89,556				89,556	
208,654		208,654			
86,757		86,757			
32,866		32,866			
23,077			23,077		
1,270,703				1,270,703	
246,944				246,944	
87,459				87,459	
170,363				170,363	
18,143					18,143
15,213					15,213
\$ 2,285,240	\$ 27,575	\$ 328,277	\$ 23,077	\$ 1,872,955	\$ 33,356

UTILITY NAME: Lake Utility Company

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WATER UTILITY EXPENSE ACCOUNTS

WATER EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	WATER EXPENSE ACCOUNT MATRIX	
			.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 88,834	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders			
604	Employee Pensions and Benefits	8,375		
610	Purchased Water			
615	Purchased Power	23,788		
616	Fuel for Power Purchased			
618	Chemicals	4,152		
620	Materials and Supplies	30,865		
631	Contractual Services - Engineering	15,182		
632	Contractual Services - Accounting	2,970		
633	Contractual Services - Legal	1,249		
634	Contractual Services - Management Fees	143,173		
635	Contractual Services - Other	45,557		
641	Rental of Building/Real Property			
642	Rental of Equipment	16		
650	Transportation Expense	9,082		
656	Insurance - Vehicle			
657	Insurance - General Liability	538		
658	Insurance - Workmens Compensation	1,600		
659	Insurance - Other	1,219		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Expenses Other			
670	Bad Debt Expense			
675	Miscellaneous Expenses	13,900		
	Total Water Utility Expenses	\$ 390,500	\$	\$

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ 16,708	\$	\$	\$	\$ 19,688	\$ 52,438
23,788					8,375
4,152	14,108				
					16,757
					15,182
					2,970
					1,249
38,846	29,219			56,741	47,586
					16,338
					16
					9,082
					538
					1,600
					1,219
	2,316				
					11,584
\$ 83,494	\$ 45,643	\$	\$	\$ 76,429	\$ 184,934

UTILITY NAME: Lake Utility Company

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WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue -----			\$ -----
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers -----	1,214	1,359	489,845
461.2	Metered Sales to Commercial Customers -----	51	51	118,822
461.3	Metered Sales to Construction Customers -----			
461.4	Metered Sales to Public Authorities -----			
461.5	Metered Sales to Multiple Family Dwellings -----			
	Total Metered Sales -----	1,265	1,410	608,667
	Fire Protection Revenue:			
462.1	Public Fire Protection -----			
462.2	Private Fire Protection -----			
	Total Fire Protection Revenue -----			
464	Other Sales to Public Authorities -----			
465	Sales to Irrigation Customers -----			
466	Sales for Resale -----			
467	Interdepartmental Sales -----			
	Totals -----	1,265	1,410	608,667
	Other Water Revenues:			
469	Guarenteed Revenues -----			
470	Forfeited Discounts -----			
471	Miscellaneous Service Revenues -----			10
472	Rents From Water Property -----			
473	Interdepartmental Rents -----			
474	Other Water Revenues -----			
	Total Other Water Revenues -----			10
	Total Water Operating Revenues -----			\$ 608,677

UTILITY NAME: Lake Utility Company

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BASIS FOR WATER 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 (f)
301	Organization _____	40	%	2.50 %
302	Franchises _____		%	%
304	Structure and Improvements _____	27	%	3.70 %
305	Collecting and Impounding Reservoirs _____		%	%
306	Lake, River and Other Intakes _____		%	%
307	Wells and Springs _____	27	%	3.70 %
308	Infiltration Galleries and Tunnels _____		%	%
309	Supply Mains _____		%	%
310	Power Generation Equipment _____	17	%	5.88 %
311	Pumping Equipment _____	15	%	6.67 %
320	Water Treatment Equipment _____	17	%	5.88 %
330	Distribution Reservoirs and Standpipes _____		%	%
331	Transmission and Distribution Mains _____	38	%	2.63 %
333	Services _____	35	%	2.86 %
334	Meters and Meter Installations _____	17	%	5.88 %
335	Hydrants _____	40	%	2.50 %
339	Other Plant and Miscellaneous Equipment _____		%	%
340	Office Furniture and Equipment _____		%	%
341	Transportation Equipment _____	6	%	16.67 %
342	Stores Equipment _____		%	%
343	Tools, Shop and Garage Equipment _____		%	%
344	Laboratory Equipment _____		%	%
345	Power Operated Equipment _____		%	%
346	Communication Equipment _____		%	%
347	Miscellaneous Equipment _____	10	%	10.00 %
348	Other Tangible Plant _____		%	%
	Water Plant Composite Depreciation Rate *		%	%

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

UTILITY NAME: Lake Utility Company

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December 31, 1998

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization _____	\$ 5,491	\$ 690	\$	\$ 690
302	Franchises _____				
304	Structure and Improvements _____	10,176	3,313		3,313
305	Collecting and Impounding Reservoirs _____				
306	Lake, River and Other Intakes _____				
307	Wells and Springs _____	44,318	6,827		6,827
308	Infiltration Galleries and Tunnels _____				
309	Supply Mains _____				
310	Power Generation Equipment _____	21,936	3,584		3,584
311	Pumping Equipment _____	21,993	2,192		2,192
320	Water Treatment Equipment _____	14,836	1,356		1,356
330	Distribution Reservoirs and Standpipes _____				
331	Transmission and Distribution Mains _____	205,925	32,604		32,604
333	Services _____	32,675	6,845		6,845
334	Meters and Meter Installations _____	17,816	4,846		4,846
335	Hydrants _____	23,798	4,122		4,122
339	Other Plant and Miscellaneous Equipment _____				
340	Office Furniture and Equipment _____				
341	Transportation Equipment _____	6,957	2,527		2,527
342	Stores Equipment _____				
343	Tools, Shop and Garage Equipment _____				
344	Laboratory Equipment _____				
345	Power Operated Equipment _____				
346	Communication Equipment _____				
347	Miscellaneous Equipment _____	10,770	1,522		1,522
348	Other Tangible Plant _____				
	Total Depreciable Water Plant In Service _____	\$ 416,691	\$ 70,428	\$	\$ 70,428

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

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (Cont'd)

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 6,181
_____	_____	_____	_____	_____	13,489
_____	_____	_____	_____	_____	51,145
_____	_____	_____	_____	_____	25,520
_____	_____	_____	_____	_____	24,185
_____	_____	_____	_____	_____	16,192
_____	_____	_____	_____	_____	238,529
(7,560)	_____	_____	_____	(7,560)	39,520
_____	_____	_____	_____	_____	15,102
_____	_____	_____	_____	_____	27,920
_____	_____	_____	_____	_____	9,484
_____	_____	_____	_____	_____	12,292
\$ (7,560)	\$ _____	\$ _____	\$ _____	\$ (7,560)	\$ 479,559

UTILITY NAME: Lake Utility Company
 SYSTEM NAME: _____

YEAR OF REPORT
December 31, 1998

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January _____	_____	10,436	_____	10,436	8,215
February _____	_____	12,037	33	12,004	9,898
March _____	_____	10,717	_____	10,717	10,033
April _____	_____	21,306	114	21,192	19,207
May _____	_____	34,193	185	34,008	27,906
June _____	_____	37,821	_____	37,821	35,606
July _____	_____	35,402	12	35,390	32,968
August _____	_____	29,513	230	29,283	24,837
September _____	_____	27,850	_____	27,850	28,514
October _____	_____	21,564	_____	21,564	18,821
November _____	_____	31,640	_____	31,640	33,597
December _____	_____	29,495	118	29,377	25,853
Total for year _____	_____	301,974	692	301,282	275,455

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

UTILITY NAME: Lake Utility Company
 SYSTEM NAME: _____

YEAR OF REPORT
December 31, 1998

WATER TREATMENT PLANT INFORMATION

Type of treatment (reverse osmosis, etc.): Aeration/Chlorination
 Methods used (sedimentation, chemical, aerated, etc.): Chemical

LIME TREATMENT

Unit rating (GPM): N/A Manufacturer: _____

FILTRATION

Type and area: Pressure - Square Feet: _____
 Gravity - GPM/Square Feet: _____

MAINS

TYPE OF PIPE (Galvanized, Cast Iron, PVC, Etc.)	DIAMETER OF PIPE (in inches)	MAINS BEGINNING OF YEAR (in feet)	ADDITIONS	RETIREMENTS	MAINS END OF YEAR (in feet)
PVC	2"	796			796
PVC	6"	43,790	980		44,770
PVC	8"	35,740	3,180		38,920
PVC	10"	120			120
PVC	12"	7,730	740		8,470
PVC	4"	2,715			2,715
Total feet of mains		90,891	4,900		95,791

SERVICES AND METERS

METERS IN SERVICE	METERS BEGINNING OF YEAR	ADDITIONS	RETIREMENTS	METERS END OF YEAR
5/8" - 3/4"	1,239	145		1,384
1"	7			7
1 1/2"	1			1
2"	18			18
3"				
4"				
6"				
8"				
Other (Specify): _____				
Total meters in service	1,265	145		1,410
Total meters in stock				
Number of services in use	1,265	145		1,410

UTILITY NAME: Lake Utility Company
 SYSTEM NAME: _____

YEAR OF REPORT
 December 31, 1998

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	1986	1986	1992	
Types of Well Construction and Casing _____	120'	190'	180'	
Depth of Wells _____	275'	350'	300'	
Diameters of Wells _____	10"	10"	12"	
Pump - GPM _____	1,200	750	1,300	
Motor - HP _____	Unknown	Unknown	Unknown	
Yeilds of Wells in GPD _____	122,400	122,400	1,200,000	
Auxillary Power _____	Yes	Yes	Yes	

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete, or pneumatic) _____	Pneumatic			
Capacity of Tank _____	10,000			
Ground of Elevated _____	Ground			

HIGH SERVICE PUMPING

MOTORS (a)	(b)	(c)	(d)	(e)
Manufacturer _____	N/A			
Type _____				
Rated Horsepower _____				
PUMPS				
Manufacturer _____	N/A			
Type _____				
Capacity in GPM _____				
Average Number of Hours Operated Per Day _____				
Auxiliary Power _____				

UTILITY NAME: Lake Utility Company
 SYSTEM NAME: Same

YEAR OF REPORT
 December 31, 1998

SOURCE OF SUPPLY

List for each source of supply:			
Gallons per day of source _____	1.444 MGD	_____	_____
Type of source _____	Wells	_____	_____

WATER TREATMENT FACILITIES

List for each water treatment facility:			
Type _____	Chlor/Aeration	_____	_____
Make _____	Unknown	_____	_____
Gallons per day capacity _____	1.444 MGD	_____	_____
Method of measurement _____	Meter	_____	_____

OTHER WATER SYSTEM INFORMATION

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

- Present ERC's * that system can efficiently serve. 2,156
- Estimated annual increase in ERC's * . 150
- List fire fighting facilities and capacities 105 hydrants, 750 GPM fire flow capacity
- List percent of certificate area where service connection are installed (total for each county). 54.8 %
- What is the current need for system upgrading and/or expansion? None
- What are plans for future upgrading and/or expansion? None
- Have questions 6 and 7 been discussed with an engineer (if so, state name and address)? N/A
- Have questions 6 and 7 been discussed with appropriate state sanitary engineering office? N/A

* ERC = (Total Gallons Sold / 365 Days) / 350 Gallons Per Day

UTILITY NAME: Lake Utility Company
 SYSTEM NAME: Same

YEAR OF REPORT
December 31, 1998

CALCULON OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
5/8"	Displacement	1.0	1,384	1,384
3/4"	Displacement	1.5		
1"	Displacement	2.5	7	18
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	18	144
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents -----				1,551

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{275,455,000}{\text{(total gallons sold)}} / 365 \text{ days} \right) / 350 \text{ gpd} = 2,156$$

**SEWER
OPERATION
SECTION**

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

SEWER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization _____	\$ 27,575	\$	\$
352	Franchises _____			
353	Land and Land Rights _____	90,834		
354	Structure and Improvements _____	159,616		
360	Collection Sewers - Force _____	313,609		
361	Collection Sewers - Gravity _____	1,248,629	93,051	
362	Special Collecting Structures _____	470,046		
363	Services to Customers _____	209,425	25,321	
364	Flow Measuring Devices _____			
365	Flow Measuring Installations _____			
370	Receiving Wells _____			
371	Pumping Equipment _____	55,614		
380	Treatment and Disposal Equipment _____	1,250,677	1,006	
381	Plant Sewers _____	12,725		
382	Outfall Sewer Lines _____			
389	Other Plant and Miscellaneous Equipment _____	8,031		
390	Office Furniture and Equipment _____			
391	Transportation Equipment _____	12,183	5,960	
392	Stores Equipment _____			
393	Tools, Shop and Garage Equipment _____			
394	Laboratory Equipment _____			
395	Power Operated Equipment _____			
396	Communication Equipment _____			
397	Miscellaneous Equipment _____	16,788		
398	Other Tangible Plant _____			
	Total Sewer Plant _____	\$ 3,875,752	\$ 125,338	\$

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

SEWER UTILITY PLANT MATRIX

	.1	.2	.3	.4	.5
CURRENT YEAR (f)	INTANGIBLE PLANT (g)	COLLECTION PLANT (h)	SYSTEM PUMPING PLANT (i)	TREATMENT AND DISPOSAL PLANT (j)	GENERAL PLANT (k)
\$ 27,575	\$ 27,575				
90,834				90,834	
159,616				159,616	
313,609		313,609			
1,341,680		1,341,680			
470,046		470,046			
234,746		234,746			
55,614			55,614		
1,251,683				1,251,683	
12,725				12,725	
8,031		8,031			
18,143					18,143
16,788					16,788
\$ 4,001,090	\$ 27,575	\$ 2,368,112	\$ 55,614	\$ 1,514,858	\$ 34,931

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

SEWER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1	.2
			COLLECTION EXPENSES - OPERATIONS (d)	COLLECTION EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees -----	\$ 14,519	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders -----			
704	Employee Pensions and Benefits -----	1,686		
710	Purchased Sewage Treatment -----			
711	Sludge Removal Expense -----	19,425		
715	Purchased Power -----	36,947		
716	Fuel for Power Purchased -----			
718	Chemicals -----	9,199		
720	Materials and Supplies -----	6,833		
731	Contractual Services - Engineering -----	744		
732	Contractual Services - Accounting -----	598		
733	Contractual Services - Legal -----	251		
734	Contractual Services - Management Fees -----	28,827		
735	Contractual Services - Other -----	62,157		
741	Rental of Building/Real Property -----			
742	Rental of Equipment -----			
750	Transportation Expense -----	64		
756	Insurance - Vehicle -----			
757	Insurance - General Liability -----	538		
758	Insurance - Workmens Compensation -----	322		
759	Insurance - Other -----	1,219		
760	Advertising Expense -----			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense -----			
767	Regulatory Commission Expenses Other -----			
770	Bad Debt Expense -----			
775	Miscellaneous Expenses -----	9,084		
	Total Sewer Utility Expenses -----	\$ 192,413	\$	\$

SEWER EXPENSE ACCOUNT MATRIX

.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ _____	\$ _____	\$ _____	\$ _____	\$ 3,963	\$ 10,556
					1,686
		19,425			
		36,947			
		9,199			
		5,101	1,710		22
					744
					598
					251
					28,827
		61,460			697
					64
					538
					322
					1,219
			480		8,604
\$ _____	\$ _____	\$ 132,132	\$ 2,190	\$ 3,963	\$ 54,128

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

SEWER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues _____			\$ _____
521.2	Commercial Revenues _____			_____
521.3	Industrial Revenues _____			_____
521.4	Revenues From Public Authorities _____			_____
521.5	Multiple Family Dwelling Revenues _____			_____
521.6	Other Revenues _____			_____
	Total Flat Rate Revenues _____			_____
	Measured Revenues:			
522.1	Residential Revenues _____	1,210	1,330	487,992
522.2	Commercial Revenues _____	7	7	7,164
522.3	Industrial Revenues _____			_____
522.4	Revenues From Public Authorities _____			_____
522.5	Multiple Family Dwelling Revenues _____			_____
	Total Measured Revenues _____	1,217	1,337	495,156
523	Revenues From Public Authorities _____			_____
524	Revenues From Other Systems _____			_____
525	Interdepartmental Revenues _____			_____
	Totals _____	1,217	1,337	495,156
	Other Sewer Revenues:			
530	Guarenteed Revenues _____			_____
531	Sale of Sludge _____			_____
532	Forfeited Discounts _____			_____
534	Rents From Sewer Property _____			_____
535	Interdepartmental Rents _____			_____
536	Other Sewer Revenues _____			_____
	Total Other Sewer Revenues _____			_____
	Total Sewer Operating Revenues _____			\$ 495,156

UTILITY NAME: Lake Utility Company

YEAR OF REPORT
December 31, 1998

BASIS FOR SEWER 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 (f)
351	Organization	40	%	2.50 %
352	Franchises		%	%
354	Structure and Improvements	27	%	3.70 %
360	Collection Sewers - Force	27	%	3.70 %
361	Collection Sewers - Gravity	40	%	2.50 %
362	Special Collecting Structures	25	%	4.00 %
363	Services to Customers	35	%	2.86 %
364	Flow Measuring Devices		%	%
365	Flow Measuring Installations		%	%
370	Receiving Wells		%	%
371	Pumping Equipment	18	%	5.56 %
380	Treatment and Disposal Equipment	15	%	6.67 %
381	Plant Sewers	32	%	3.13 %
382	Outfall Sewer Lines		%	%
389	Other Plant and Miscellaneous Equipment	15	%	6.67 %
390	Office Furniture and Equipment		%	%
391	Transportation Equipment	6	%	16.67 %
392	Stores Equipment		%	%
393	Tools, Shop and Garage Equipment		%	%
394	Laboratory Equipment		%	%
395	Power Operated Equipment		%	%
396	Communication Equipment		%	%
397	Miscellaneous Equipment	10	%	10.00 %
398	Other Tangible Plant		%	%
	Sewer Plant Composite Depreciation Rate		%	%

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

UTILITY NAME: Lake Utility Company

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization	\$ 5,491	\$ 689	\$	\$ 689
352	Franchises				
354	Structure and Improvements	21,266	5,906		5,906
360	Collection Sewers - Force	83,345	11,603		11,603
361	Collection Sewers - Gravity	173,576	32,379		32,379
362	Special Collecting Structures	98,424	18,802		18,802
363	Services to Customers	23,634	6,351		6,351
364	Flow Measuring Devices				
365	Flow Measuring Installations				
370	Receiving Wells				
371	Pumping Equipment	1,546	3,092		3,092
380	Treatment and Disposal Equipment	209,229	83,454		83,454
381	Plant Sewers	4,210	399		399
382	Outfall Sewer Lines				
389	Other Plant and Miscellaneous Equipment	1,661	536		536
390	Office Furniture and Equipment				
391	Transportation Equipment	6,957	2,527		2,527
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment	10,609	1,679		1,679
398	Other Tangible Plant				
	Total Depreciable Sewer Plant In Service	\$ 639,948	\$ 167,417	\$	\$ 167,417

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

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION (Cont'd)

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 6,180
_____	_____	_____	_____	_____	27,172
_____	_____	_____	_____	_____	94,948
_____	_____	_____	_____	_____	205,955
_____	_____	_____	_____	_____	117,226
_____	_____	_____	_____	_____	29,985
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	4,638
_____	_____	_____	_____	_____	292,683
_____	_____	_____	_____	_____	4,609
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	2,197
_____	_____	_____	_____	_____	9,484
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	12,288
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 807,365

UTILITY NAME: Lake Utility Company
 SYSTEM NAME: Same

YEAR OF REPORT
 December 31, 1998

PUMPING EQUIPMENT

	1	2	3	4	5	6
Lift station number _____						
Make or type and nameplate data of pump _____	Hydromatic 5 HP 7 1/2" dia.	Hydromatic 7.5 HP 8" dia.	Hydromatic 5 HP 7 1/2" dia.	Flyght CP-3127 10 HP 4" dia.	Flyght CP-3085 3 HP 4" dia.	Flyght CP-3102 5 HP 6" dia.
Year installed _____	1986	1986	1987	1991	1991	1993
Rated capacity_ (GPM) _____	50 @ 45tdh	200 @ 47tdh	160 @ 34tdh	142 @ 64tdh	140 @ 30tdh	250 @ 40 tdh
Size _____	6' dia	6' dia	6' dia	6' dia	6' dia	6' dia
Power:						
Electric _____	230/460 30	230/460 30	230/460 30	230/460 30	230/460 30	230/460 30
Mechanical _____						
Nameplate data of motor _____	54 NRC 500M 3-4	54 NRC 750M 3-4	54 NRC 500M 3-4	Unknown Unknown	Unknown Unknown	Unknown Unknown

	7	8	9	10	11	12
Lift station number _____						
Make or type and nameplate data of pump _____	Flyght CP-3085 3 HP 4" dia.	Flyght CP-3085 3 HP 4" dia.	Flyght CP-3085 3 HP 4" dia.	Flyght CP-3085 2.4 HP 4" dia.	Flyght CP-3085 2.4 HP 4" dia.	Flyght CP-3102 4.0 hp 4" DIA.
Year installed _____	1993	1994	1994	1995	1995	1996
Rated capacity_ (GPM) _____	95 @ 12 tdh	273 @ 10tdh	273 @ 10tdh	117 @ 22tdh	117 @ 22tdh	361 @ 21 tdh
Size _____						
Power:						
Electric _____	230/460 30	230/460 30	230/460 30	120/240	120/240	230/460 30
Mechanical _____						
Nameplate data of motor _____	Unknown Unknown	Unknown Unknown	Unknown Unknown	Unknown Unknown	Unknown Unknown	Unknown Unknown

SERVICE CONNECTIONS

	6"	8"				
Size (inches) _____	6"	8"				
Type (PVC, VCP, etc) _____	PVC	PVC				
Average length _____	30'	30'				
Number of active service connections _____	1,334	3				
Beginning of year _____	1,214	3				
Added during year _____	120					
Retired during year _____						
End of year _____	1,334	3				
Give full particulars concerning inactive connections _____	None					

UTILITY NAME: Lake Utility Company
 SYSTEM NAME: Same

YEAR OF REPORT
 December 31, 1998

COLLECTING MAINS

COLLECTING MAINS:						
Size (inches) _____	8"	4"	8"	10"	6"	6"
Type of main _____	PVC	DIP	DIP	PVC	DIP	PVC
Length of main (nearest foot):						
Beginning of year _____	55,943	40	1,798	2,353	60	1,038
Added during year _____	3,433					
Retired during year _____						
End of year _____	59,376	40	1,798	2,353	60	1,038
MANHOLES:						
Size (inches) _____	4'					
(Brick Concrete) _____	Concrete					
Number:						
Beginning of year _____	259					
Added during year _____	19					
Retired during year _____						
End of year _____	278					

FORCE MAINS

FORCE MAINS:						
Size (inches) _____	4"	6"	6"	12"		
Type of main _____	PVC	PVC	DIP	DIP		
Length of main (nearest foot):						
Beginning of year _____	3,770	12,310	40	40		
Added during year _____						
Retired during year _____						
End of year _____	3,770	12,310	40	40		

UTILITY NAME: Lake Utility Company
 SYSTEM NAME: Same

YEAR OF REPORT
December 31, 1998

TREATMENT PLANT

Manufacturer _____	<u>Marloff</u>	<u>Marloff</u>	<u>A.O. Smith</u>
Type _____	<u>Model 1-8-100X</u>	<u>Extension</u>	<u>Model 6210</u>
"Steel" or "Concrete" _____	<u>Concrete</u>	<u>Concrete</u>	<u>Steel</u>
Total Capacity _____		<u>370,000 GPD Combined</u>	
Average Daily Flow _____		<u>119,312 Combined</u>	
Effluent Disposal _____	<u>Ponds/Reuse</u>	<u>Ponds/Reuse</u>	<u>Ponds/Reuse</u>
Total Gallons of Sewage Treated _____		<u>43,549,000 Combined</u>	

MASTER LIFT STATION PUMPS

See Lift Stations No.'s 2 and 3, Page S-6

Manufacturer _____	_____	_____	_____	_____	_____
Capacity _____ (GPM)	_____	_____	_____	_____	_____
Motor: Mfr. _____	_____	_____	_____	_____	_____
Horsepower _____	_____	_____	_____	_____	_____
Power (Electric or Mechanical) _____	_____	_____	_____	_____	_____

OTHER SEWER SYSTEM INFORMATION

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

- Maximum number of ERC's * which can be served. 1345
- Estimated annual increase in ERC's * . Approximately 150
- List permit numbers required by Chapter 14-17, Rules of the Department of Environmental Regulation (DER) for systems in operation. DO35-148272
- State any plans and estimated completion dates for any enlargements of this system.
None
- If the present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
 - Evaluation of the present plant or plants in regard to meeting the DER's rules.
 - Plans for funding and construction of the required upgrading.
 - Have these plans been coordinated with the DER? N/A
 - Do they concur? _____
 - When will construction begin? _____
- In what percent of your certificated area have service connections been installed? 54.8 %

* ERC = (Total Gallons Treated / 365 Days) / 275 Gallons Per Day

Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment.

UTILITY NAME: Lake Utility Company
 SYSTEM NAME: Same

YEAR OF REPORT
December 31, 1998

CALCULATON OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
5/8"	Displacement	1.0	1,333	1,333
3/4"	Displacement	1.5		
1"	Displacement	2.5	1	3
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	2	16
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total SEWER System Meter Equivalents -----				1,357

CALCULATION OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{43,549,000}{365 \text{ days}} \right) / 275 \text{ gpd} = \underline{\underline{434}}$$

(total gallons treated)