

CLASS "A" OR "B"

WATER AND/OR WASTEWATER UTILITIES

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

OFFICIAL COPY
Public Service Commission
Do Not Remove from this Office

ANNUAL REPORT

OF

WS861-06-AR

UTILITIES, INC. OF PENNBROOKE

Exact Legal Name of Respondent

466 W 400S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED

31-Dec-06

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
EXECUTIVE SUMMARY			
Certification	E-1	Business Contracts with Officers, Directors and Affiliates	E-7
General Information	E-2	Affiliation of Officers & Directors	E-8
Directory of Personnel Who Contact the FPSC	E-3	Businesses which are a Byproduct, Coproduct or Joint Product Result of Providing Service	E-9
Company Profile	E-4	Business Transactions with Related Parties. Part I and II	E-10
Parent / Affiliate Organization Chart	E-5		
Compensation of Officers & Directors	E-6		
FINANCIAL SECTION			
Comparative Balance Sheet - Assets and Other Debits	F-1	Unamortized Debt Discount / Expense / Premium	F-13
Comparative Balance Sheet - Equity Capital and Liabilities	F-2	Extraordinary Property Losses	F-13
Comparative Operating Statement	F-3	Miscellaneous Deferred Debits	F-14
Schedule of Year End Rate Base	F-4	Capital Stock	F-15
Schedule of Year End Capital Structure	F-5	Bonds	F-15
Capital Structure Adjustments	F-6	Statement of Retained Earnings	F-16
Utility Plant	F-7	Advances from Associated Companies	F-17
Utility Plant Acquisition Adjustments	F-7	Long Term Debt	F-17
Accumulated Depreciation	F-8	Notes Payable	F-18
Accumulated Amortization	F-8	Accounts Payable to Associated Companies	F-18
Regulatory Commission Expense - Amortization of Rate Case Expense	F-9	Accrued Interest and Expense	F-19
Nonutility Property	F-9	Misc. Current & Accrued Liabilities	F-20
Special Deposits	F-9	Advances for Construction	F-21
Investments and Special Funds	F-10	Other Deferred Credits	F-21
Accounts and Notes Receivable - Net	F-11	Contributions In Aid of Construction	F-22
Accounts Receivable from Associated Companies	F-12	Accumulated Amortization of CIAC	F-23
Notes Receivable from Associated Companies	F-12	Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	F-23
Miscellaneous Current & Accrued Assets	F-12		

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
WATER OPERATION SECTION			
Listing of Water System Groups	W-1	CIAC Additions / Amortization	W-8
Schedule of Year End Water Rate Base	W-2	Water Operating Revenue	W-9
Water Operating Statement	W-3	Water Utility Expense Accounts	W-10
Water Utility Plant Accounts	W-4	Pumping and Purchased Water Statistics, Source Supply	W-11
Basis for Water Depreciation Charges	W-5	Water Treatment Plant Information	W-12
Analysis of Entries in Water Depreciation Reserve	W-6	Calculation of ERC's	W-13
Contributions In Aid of Construction	W-7	Other Water System Information	W-14
WASTEWATER OPERATION SECTION			
Listing of Wastewater System Groups	S-1	Contributions In Aid of Construction	S-7
Schedule of Year End Wastewater Rate Base	S-2	CIAC Additions / Amortization	S-8
Wastewater Operating Statement	S-3	Wastewater Utility Expense Accounts	S-9
Wastewater Utility Plant Accounts	S-4	Wastewater Operating Revenue	S-10
Analysis of Entries in Wastewater Depreciation Reserve	S-5	Calculation of ERC's	S-11
Basis for Wastewater Depreciation Charges	S-6	Wastewater Treatment Plant Information	S-12
		Other Wastewater System Information	S-13

EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

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

YES NO
 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES NO
 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES NO
 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility.

YES NO
 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the 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. 11775

20086 _____
(Signature of Chief Executive Officer of the utility) *

~~1. 2. 3. 4. 9551~~



(Signature of Chief Financial Officer of the utility) *

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

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

ANNUAL REPORT OF

YEAR OF REPORT
31-Dec-06

UTILITIES, INC. OF PENNBROOKE
(Exact Name of Utility)

County: **Lake County**

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

2335 SANDERS ROAD
NORTHBROOK IL 60062

Telephone: **847-498-6440**

E Mail Address: **NONE**

WEB Site: **NONE**

Sunshine State One-Call of Florida, Inc. Member Number **PB1318**

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

CHRISTINE KIM
2335 SANDERS ROAD
NORTHBROOK IL 60062

Telephone: **847-498-6440**

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

2335 SANDERS ROAD
NORTHBROOK IL 60062

Telephone: **847-498-6440**

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

PRICEWATERHOUSECOOPERS

Date of original organization of the utility: **09/20/76**

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

Individual Partnership Sub S Corporation 1120 Corporation

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

	Name	Percent Ownership
1.	UTILITIES INC	100%
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

A.	Acquired by Utilities Inc. in 2003
B.	The Utility supplies water and sewer services.
C.	Maintain a high quality of service.
D.	There is only subdivisions that are serviced.
E.	There has been modest growth and we expect this pattern to continue as long as economic conditons hold.
F.	There have been no major transaction during the year.

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/2006

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

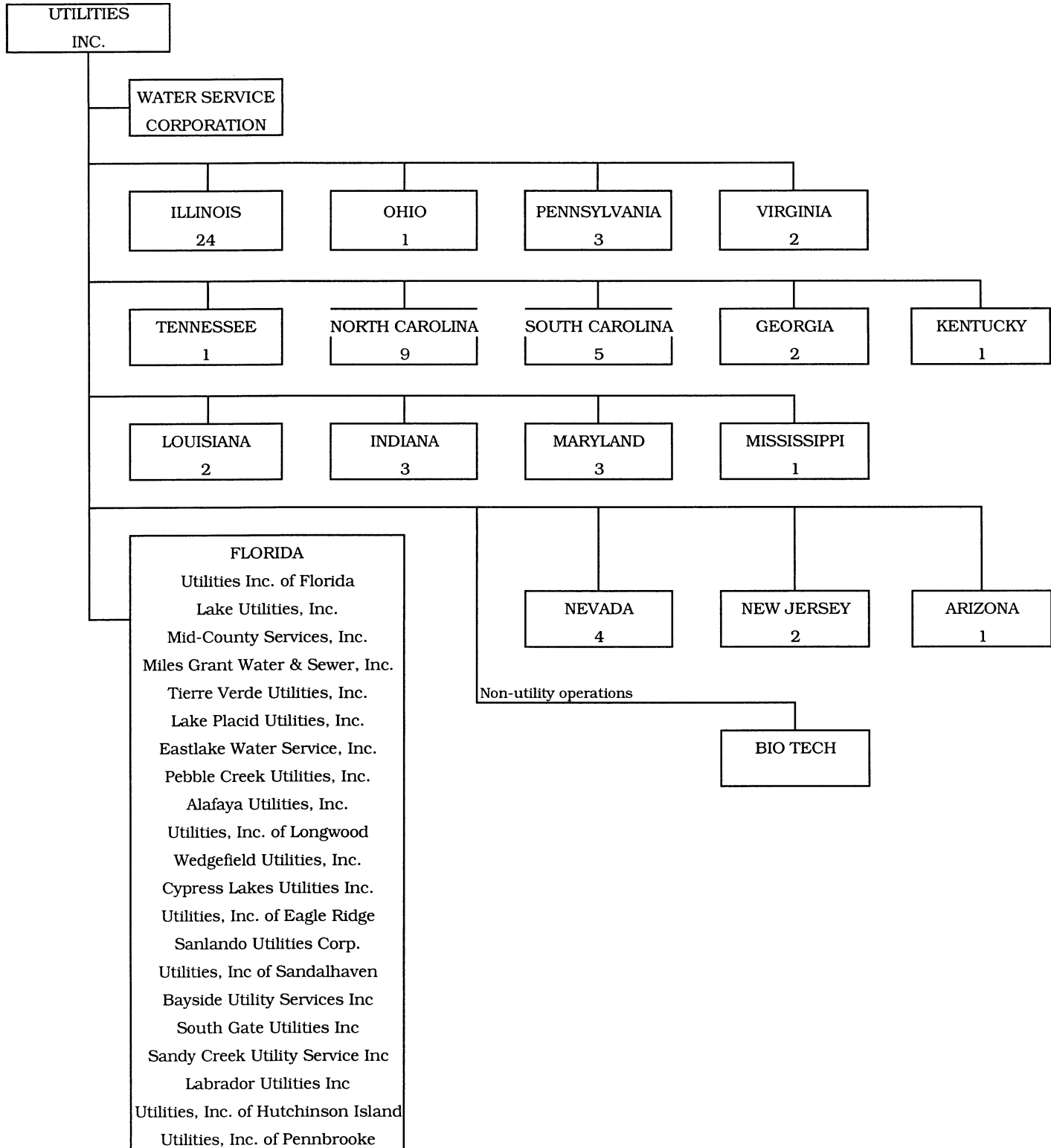
UTILITIES, INC. -- PARENT COMPANY

WATER SERVICE CORP. -- SERVICE COMPANY SUPPLYING MOST SERVICES REQUIRED BY UTILITY.

UTILITIES INC. of FLORIDA -- provides office personnel and administrative staff.

SEE ATTACHED

Parent And Affiliate Organizational Chart



UTILITIES, INC. - Parent Company

WATER SERVICE CORP. - Service organization providing administrative and other service functions for the utility.

NOTE: Within each state except Florida is the number of companies owned.

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
LAWRENCE N SCHUMACHER	CEO & PRESIDENT		\$ NONE
LISA A CROSSETT	VP OPERATIONS		NONE
STEVEN M LUBERTOZZI	VP REGULATORY		NONE
DANIEL J DELGADO	VP & TREASURER		NONE
JOHN R STOVER	VP & SECRETARY		NONE
JOHN HOY	REGIONAL VP		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)
JOHN M STOKES	DIRECTOR	1	\$ NONE
LAWRENCE N SCHUMACHER	DIRECTOR	1	NONE

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)	
NO BUSINESS CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS WERE ENTERED INTO DURING THE CURRENT YEAR BY THE OFFICERS LISTED ON PAGE E6, THE DIRECTORS OR AFFILIATES.		\$		

* 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.

FINANCIAL SECTION

COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 4,524,602	\$ 4,759,289
108-110	Less: Accumulated Depreciation and Amortization	F-8	1,434,637	1,625,500
Net Plant			\$ 3,089,965	\$ 3,133,789
114-115	Utility Plant Acquisition adjustment (Net)	F-7	476,560	476,560
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 3,566,525	\$ 3,610,349
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ _____	\$ _____
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			\$ _____	\$ _____
123	Investment In Associated Companies	F-10	_____	_____
124	Utility Investments	F-10	_____	_____
125	Other Investments	F-10	_____	_____
126-127	Special Funds	F-10	_____	_____
Total Other Property & Investments			\$ _____	\$ _____
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ -	\$ -
132	Special Deposits	F-9	3,350	3,350
133	Other Special Deposits	F-9	_____	_____
134	Working Funds		_____	_____
135	Temporary Cash Investments		_____	_____
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	50,105	73,780
145	Accounts Receivable from Associated Companies	F-12	_____	_____
146	Notes Receivable from Associated Companies	F-12	-	-
151-153	Material and Supplies		_____	_____
161	Stores Expense		_____	_____
162	Prepayments		-	-
171	Accrued Interest and Dividends Receivable		-	-
172 *	Rents Receivable		_____	_____
173 *	Accrued Utility Revenues		_____	_____
174	Misc. Current and Accrued Assets	F-12	-	-
Total Current and Accrued Assets			\$ 53,455	\$ 77,130

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Misc. Deferred Debits	F-14	150	93,448
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		6,917	7,920
			_____	_____
	Total Deferred Debits		\$ <u>7,067</u>	\$ <u>101,368</u>
	TOTAL ASSETS AND OTHER DEBITS		\$ <u>3,627,047</u>	\$ <u>3,788,847</u>

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 1,000	\$ 1,000
204	Preferred Stock Issued	F-15		
202,205 *	Capital Stock Subscribed			
203,206 *	Capital Stock Liability for Conversion			
207 *	Premium on Capital Stock			
209 *	Reduction in Par or Stated Value of Capital Stock			
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid - In Capital		2,068,493	2,157,048
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	177,928	187,999
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 2,247,421	\$ 2,346,047
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt			\$ -	\$ -
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		10,749	1,106
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	(168,352)	(80,671)
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		10,706	8,686
236	Accrued Taxes	W/S-3	14,354	17,202
237	Accrued Interest	F-19	339	271
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
Total Current & Accrued Liabilities			\$ (132,204)	\$ (53,406)

* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	_____	_____
253	Other Deferred Credits	F-21	_____	_____
255	Accumulated Deferred Investment Tax Credits		-	-
Total Deferred Credits			\$ _____	\$ _____
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		_____	_____
263	Pensions and Benefits Reserve		_____	_____
265	Miscellaneous Operating Reserves		_____	_____
Total Operating Reserves			\$ _____	\$ _____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 2,107,121	\$ 2,109,787
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	638,245	691,009
Total Net C.I.A.C.			\$ 1,468,876	\$ 1,418,778
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 33,302	\$ 34,697
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		9,652	42,731
Total Accumulated Deferred Income Tax			\$ 42,954	\$ 77,428
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 3,627,047	\$ 3,788,847

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 649,903	\$ 786,361
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 649,903	\$ 786,361
401	Operating Expenses	F-3(b)	\$ 392,642	\$ 489,248
403	Depreciation Expense:	F-3(b)	\$ 141,281	\$ 157,561
	Less: Amortization of CIAC	F-22	(52,555)	(52,764)
Net Depreciation Expense			\$ 88,726	\$ 104,797
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)	-	-
407	Amortization Expense (Other than CIAC)	F-3(b)	560	-
408	Taxes Other Than Income	W/S-3	82,866	89,138
409	Current Income Taxes	W/S-3	(303)	(29,662)
410.10	Deferred Federal Income Taxes	W/S-3	3,986	28,731
410.11	Deferred State Income Taxes	W/S-3	668	4,740
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	-	(54)
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3	-	-
412.11	Investment Tax Credits Restored to Operating Income	W/S-3	-	-
Utility Operating Expenses			\$ 569,145	\$ 686,938
Net Utility Operating Income			\$ 80,758	\$ 99,423
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction		3,594	775
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 84,352	\$ 100,198

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>420,348</u>	\$ <u>366,014</u>	\$ <u>-</u>
\$ <u>420,348</u>	\$ <u>366,014</u>	\$ <u>-</u>
\$ 221,186	\$ 268,062	\$ -
<u>80,361</u> <u>(22,314)</u>	<u>77,200</u> <u>(30,450)</u>	<u>-</u>
\$ <u>58,047</u>	\$ <u>46,750</u>	\$ <u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>47,645</u>	<u>41,493</u>	<u>-</u>
<u>(128,819)</u>	<u>99,157</u>	<u>-</u>
<u>124,776</u>	<u>(96,045)</u>	<u>-</u>
<u>20,585</u>	<u>(15,845)</u>	<u>-</u>
<u>(235)</u>	<u>181</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>343,185</u>	\$ <u>343,753</u>	\$ <u>-</u>
\$ <u>77,163</u>	\$ <u>22,261</u>	\$ <u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>1,641</u>	<u>(866)</u>	<u>-</u>
\$ <u><u>78,804</u></u>	\$ <u><u>21,395</u></u>	\$ <u><u>-</u></u>

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ <u>84,352</u>	\$ <u>100,198</u>
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		_____	_____
419	Interest and Dividend Income		508	(347)
421	Nonutility Income		_____	_____
426	Miscellaneous Nonutility Expenses		-	-
Total Other Income and Deductions			\$ <u>508</u>	\$ <u>(347)</u>
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income		\$ _____	\$ _____
409.20	Income Taxes		_____	_____
410.20	Provision for Deferred Income Taxes		_____	_____
411.20	Provision for Deferred Income Taxes - Credit		_____	_____
412.20	Investment Tax Credits - Net		_____	_____
412.30	Investment Tax Credits Restored to Operating Income		_____	_____
Total Taxes Applicable To Other Income			\$ <u>-</u>	\$ <u>-</u>
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ <u>79,275</u>	\$ <u>89,778</u>
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ <u>79,275</u>	\$ <u>89,778</u>
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ <u>-</u>	\$ <u>-</u>
NET INCOME			\$ <u><u>5,585</u></u>	\$ <u><u>10,073</u></u>

Explain Extraordinary Income:

NONE

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 2,119,806	\$ 2,639,483
	Less: Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	828,950	780,215
110	Accumulated Amortization	F-8	13,177	3,158
271	Contributions In Aid of Construction	F-22	892,912	1,216,875
252	Advances for Construction	F-20		
Subtotal			\$ 384,767	\$ 639,235
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	281,580	409,429
Subtotal			\$ 666,347	\$ 1,048,664
114	Plus or Minus: Acquisition Adjustments (2)	F-7	-	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-	-
	Working Capital Allowance (3)		27,648	33,508
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 693,995	\$ 1,082,172
NET UTILITY OPERATING INCOME			\$ 77,163	\$ 22,261
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			11.12%	2.06%

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (c x d) (e)
Common Equity	\$ 682,004	38.40%	11.60%	4.45%
Preferred Stock	-	0.00%	0.00%	0.00%
Long Term Debt	1,015,969	57.20%	6.81%	3.89%
Customer Deposits	8,686	0.49%	6.00%	0.03%
Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
Deferred Income Taxes	69,508	3.91%	0.00%	0.00%
Other (Explain) Short Term Debt	-	0.00%	0.00%	0.00%
Total	\$ 1,776,167	100.00%		8.37%

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

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	<u>11.60%</u>
Commission order approving Return on Equity:	<u>LEVERAGE FORMULA</u>

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate:	<u>9.03%</u>
Commission order approving AFUDC rate:	<u>PSC-04-0262-PAA-WS</u>

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 2,119,806	\$ 2,639,483	\$ _____	\$ 4,759,289
102	Utility Plant Leased to Other	_____	_____	_____	-
103	Property Held for Future Use	_____	_____	_____	-
104	Utility Plant Purchased or Sold	_____	_____	_____	-
105	Construction Work in Progress	-	-	_____	-
106	Completed Construction Not Classified	_____	_____	_____	-
	Total Utility Plant	<u>\$ 2,119,806</u>	<u>\$ 2,639,483</u>	<u>\$ -</u>	<u>\$ 4,759,289</u>

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

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

ACCT. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ 476,560	\$ -	\$ -	\$ 476,560
		_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
	Total Plant Acquisition Adjustments	<u>\$ 476,560</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 476,560</u>
115	Accumulated Amortization Accruals charged during yea	\$ -	\$ -	\$ _____	\$ -
		_____	_____	_____	-
		_____	_____	_____	-
		_____	_____	_____	-
	Total Accumulated Amortization	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Net Acquisition Adjustments	<u>\$ 476,560</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 476,560</u>

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 708,234	\$ 710,068	\$ -	\$ 1,418,302
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 80,361	\$ 77,200	\$ -	\$ 157,561
Account 108.2 (2)	-	-	-	-
Account 108.3 (2)	-	-	-	-
Other Accounts (specify):	42,728	-	-	42,728
Salvage	-	-	-	-
Other Credits (Specify):	-	-	-	-
Total Credits	\$ 123,089	\$ 77,200	\$ -	\$ 200,289
Debits during year:				
Book cost of plant retired	2,373	7,053	-	9,426
Cost of Removal	-	-	-	-
Other Debits (specify):	-	-	-	-
Total Debits	\$ 2,373	\$ 7,053	\$ -	\$ 9,426
Balance end of year	\$ <u>828,950</u>	\$ <u>780,215</u>	\$ <u>-</u>	\$ <u>1,609,165</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ 13,177	\$ 3,158	\$ -	\$ 16,335
Credit during year:				
Accruals charged to:				
Account 110.2 (2)	\$ -	\$ -	\$ -	\$ -
Other Accounts (specify):	-	-	-	-
Total credits	\$ -	\$ -	\$ -	\$ -
Debits during year:				
Book cost of plant retired	-	-	-	-
Other debits (specify):	-	-	-	-
Total Debits	\$ -	\$ -	\$ -	\$ -
Balance end of year	\$ <u>13,177</u>	\$ <u>3,158</u>	\$ <u>-</u>	\$ <u>16,335</u>

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

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

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

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.
Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
NONE	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ _____	\$ _____	\$ _____	\$ _____

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): <u>ELECTRIC DEPOSIT City of Leesburg</u>	\$ 3,350
_____	_____
_____	_____
Total Special Deposits	\$ 3,350
OTHER SPECIAL DEPOSITS (Account 133): <u>NONE</u>	\$ _____
_____	_____
_____	_____
Total Other Special Deposits	\$ -

INVESTMENTS AND SPECIAL FUNDS
ACCOUNTS 123 - 127

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): NONE <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>	\$ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____
Total Special Funds		\$ _____

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

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

DESCRIPTION (a)	TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):	
Water	\$ 39,849
Wastewater	33,931
Other	
Total Customer Accounts Receivable	\$ 73,780
OTHER ACCOUNTS RECEIVABLE (Account 142):	
_____	\$ _____
_____	_____
_____	_____
Total Other Accounts Receivable	\$ -
NOTES RECEIVABLE (Account 144):	
_____	\$ _____
_____	_____
_____	_____
Total Notes Receivable	\$ -
Total Accounts and Notes Receivable	\$ 73,780
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)	
Balance first of year	\$ -
Add: Provision for uncollectibles for current year	\$ _____
Collection of accounts previously written off	_____
Utility Accounts	_____
Others	_____
_____	_____
_____	_____
Total Additions	\$ -
Deduct accounts written off during year:	
Utility Accounts	_____
Others	_____
_____	_____
_____	_____
Total accounts written off	\$ -
Balance end of year	\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET	\$ 73,780

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145**

Report each account receivable from associated companies separately.

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

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
NONE	%	\$ _____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
_____	%	_____
Total		\$ _____

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174**

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

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181): NONE	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	_____ %	\$ _____ 1
Shares authorized		_____ -
Shares issued and outstanding		_____ 1,000
Total par value of stock issued	_____ %	\$ _____ 1,000
Dividends declared per share for year	_____ %	\$ _____ -
PREFERRED STOCK		
Par or stated value per share	_____ %	\$ _____ -
Shares authorized		_____ -
Shares issued and outstanding		_____ -
Total par value of stock issued	_____ %	\$ _____ -
Dividends declared per share for year	_____ %	\$ _____ -

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	_____ %	_____	\$ _____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
_____	_____ %	_____	_____
Total			\$ _____

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

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 177,928
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	\$ _____

	Total Credits:	\$ -
	Debits: _____	\$ _____

	Total Debits:	\$
435	Balance Transferred from Income	\$ 10,071
436	Appropriations of Retained Earnings: _____	_____

	Total Appropriations of Retained Earnings	\$
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____

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

214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ <u>187,999</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
NONE	\$ -
Total	\$ <u> -</u>

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION INCLUDING DATE OF ISSUE AND DATE OF MATURITY (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NONE	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ <u> -</u>

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION INCLUDING DATE OF ISSUE AND DATE OF MATURITY (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232): NONE	%		\$ _____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
Total Account 232			\$ <u>_____</u>
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): NONE	%		\$ _____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
Total Account 234			\$ <u>_____</u>

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
WATER SERVICE CORPORATION	\$ 80,671
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>80,671</u>

NONE

UTILITY NAME UTILITIES, INC. OF PENNBROOKE

ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ _____		\$ _____	\$ _____	\$ _____
UTILITIES INC INTERCOMPANY INTEREST	-		89,778	89,778	-
Total Account 237.1	\$ _____		\$ 89,778	\$ 89,778	\$ _____
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities	\$ _____	427	\$ _____	\$ _____	\$ _____
Customer Deposits	(339)		68		(271)
MISC ITEMS					
Total Account 237.2	\$ (339)		\$ 68	\$ _____	\$ (271)
Total Account 237 (1)	\$ (339)		\$ 89,846	\$ 89,778	\$ (271)
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 89,778		
Less Capitalized Interest Portion of AFUDC:			-		
Net Interest Expensed to Account No. 427 (2)			\$ 89,778		

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

**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1): NONE	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2): NONE	\$ _____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>890,246</u>	\$ <u>1,216,875</u>	\$ <u>-</u>	\$ <u>2,107,121</u>
Add credits during year:	\$ <u>2,666</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,666</u>
Less debit charged during the year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Contribution In Aid of Construction	\$ <u><u>892,912</u></u>	\$ <u><u>1,216,875</u></u>	\$ <u><u>-</u></u>	\$ <u><u>2,109,787</u></u>

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

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ <u>259,266</u>	\$ <u>378,979</u>	\$ <u>-</u>	\$ <u>638,245</u>
Debits during the year:	\$ <u>22,314</u>	\$ <u>30,450</u>	\$ <u>-</u>	\$ <u>52,764</u>
	-	-	-	-
Credits during the year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>281,580</u></u>	\$ <u><u>409,429</u></u>	\$ <u><u>-</u></u>	\$ <u><u>691,009</u></u>

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

1. The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ <u>10,073</u>
Reconciling items for the year:		
Taxable income not reported on books:		
Tap Fees		2,666
Deductions recorded on books not deducted for return:		
Net Change - Deferred Maintenance		(1,500)
Net Change - Rate Case		(91,798)
Excess Tax Depreciation over Book Depreciation		(960)
Current FIT		(29,968)
Deferred FIT		28,731
Deferred SIT		4,740
Income recorded on books not included in return:		
Interest During Construction		(774)
Deduction on return not charged against book income:		
Organization Exp		(9,655)
Other miscellaneous		304
Federal tax net income		\$ <u><u>(88,141)</u></u>

Computation of tax :	(88,141)	
	<u>34%</u>	
	(29,968)	

**WATER
OPERATION
SECTION**

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 2,119,806
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	828,950
110	Accumulated Amortization	F-8	13,177
271	Contributions In Aid of Construction	W-7	892,912
252	Advances for Construction	F-20	-
Subtotal			\$ 384,767
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 281,580
Subtotal			\$ 666,347
114	Plus or Minus: Acquisition Adjustments (2)	F-7	-
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	-
	Working Capital Allowance (3)		27,648
	Other (Specify):		
WATER RATE BASE			\$ 693,995
WATER OPERATING INCOME		W-3	\$ 77,163
RN (Water Operating Income / Water Rate Base)			<u>11.12%</u>

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

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT

31-Dec-06

SYSTEM NAME / COUNTY Lake County

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ 420,348
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		\$ _____
401	Operating Expenses	W-10(a)	\$ 221,186
403	Depreciation Expense	W-6(a)	80,361
	Less: Amortization of CIAC	W-8(a)	(22,314)
	Net Depreciation Expense		\$ 58,047
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	-
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		20,463
408.11	Property Taxes		20,273
408.12	Payroll Taxes		6,909
408.13	Other Taxes and Licenses		-
408	Total Taxes Other Than Income		\$ 47,645
409.1	Income Taxes		(128,819)
410.10	Deferred Federal Income Taxes		124,776
410.11	Deferred State Income Taxes		20,585
411.10	Provision for Deferred Income Taxes - Credit		(235)
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 343,185
	Utility Operating Income		\$ 77,163
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ _____
413	Income From Utility Plant Leased to Others		_____
414	Gains (losses) From Disposition of Utility Property		_____
420	Allowance for Funds Used During Construction		1,641
	Total Utility Operating Income		\$ 78,804

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

SYSTEM NAME / COUNTY: Lake County

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ 11,677	\$ -	\$ -	\$ 11,677
302	Franchises	-	-	-	-
303	Land and Land Rights	21,115	-	-	21,115
304	Structures and Improvements	151,300	1,541	-	152,841
305	Collecting and Impounding Reservoirs	-	-	-	-
306	Lake, River and Other Intakes	-	-	-	-
307	Wells and Springs	84,706	2,754	-	87,460
308	Infiltration Galleries and Tunnels	-	-	-	-
309	Supply Mains	-	-	-	-
310	Power Generation Equipment	-	-	-	-
311	Pumping Equipment	112,436	2,696	2,126	113,006
320	Water Treatment Equipment	484,298	81,572	-	565,870
330	Distribution Reservoirs and Standpipes	14,653	10,186	166	24,673
331	Transmission and Distribution Mains	617,385	977	-	618,362
333	Services	169,879	685	-	170,564
334	Meters and Meter Installations	94,897	695	81	95,511
335	Hydrants	57,318	452	-	57,770
336	Backflow Prevention Devices	-	-	-	-
339	Other Plant Miscellaneous Equipment	-	-	-	-
340	Office Furniture and Equipment	610	8,000	-	8,610
341	Transportation Equipment	19,024	101,164	-	120,188
342	Stores Equipment	-	-	-	-
343	Tools, Shop and Garage Equipment	22,136	-	-	22,136
344	Laboratory Equipment	901	-	-	901
345	Power Operated Equipment	-	-	-	-
346	Communication Equipment	-	-	-	-
347	Miscellaneous Equipment	-	-	-	-
348	Other Tangible Plant	45,055	4,067	-	49,122
TOTAL WATER PLANT		\$ 1,907,390	\$ 214,789	\$ 2,373	\$ 2,119,806

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

SYSTEM NAME / COUNTY Lake County

WATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$ 11,677	\$ 11,677				
302	Franchises	-	-				
303	Land and Land Rights	21,115		21,115			
304	Structures and Improvements	152,841		152,841			
305	Collecting and Impounding Reservoirs	-					
306	Lake, River and Other Intakes	-					
307	Wells and Springs	87,460		87,460			
308	Infiltration Galleries and Tunnels	-					
309	Supply Mains	-					
310	Power Generation Equipment	-					
311	Pumping Equipment	113,006		113,006			
320	Water Treatment Equipment	565,870			565,870		
330	Distribution Reservoirs and Standpipes	24,673				24,673	
331	Transmission and Distribution Mains	618,362				618,362	
333	Services	170,564				170,564	
334	Meters and Meter Installations	95,511				95,511	
335	Hydrants	57,770				57,770	
336	Backflow Prevention Devices	-					
339	Other Plant Miscellaneous Equipment	-					
340	Office Furniture and Equipment	8,610					8,610
341	Transportation Equipment	120,188					120,188
342	Stores Equipment	-					
343	Tools, Shop and Garage Equipment	22,136					22,136
344	Laboratory Equipment	901					901
345	Power Operated Equipment	-					
346	Communication Equipment	-					
347	Miscellaneous Equipment	-					
348	Other Tangible Plant	49,122					49,122
TOTAL WATER PLANT		\$ 2,119,806	\$ 11,677	\$ 374,422	\$ 565,870	\$ 966,880	\$ 200,957

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

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 (e)
304	Structures and Improvements			3.03%
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs			3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment			5.00%
320	Water Treatment Equipment			4.55%
330	Distribution Reservoirs and Standpipes			2.70%
331	Transmission and Distribution Mains			2.33%
333	Services			2.50%
334	Meters and Meter Installations			5.00%
335	Hydrants			2.22%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment			6.67%
341	Transportation Equipment			16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			6.25%
344	Laboratory Equipment			6.67%
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			10.00%
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: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT
31-Dec-06

SYSTEM NAME / COUNTY Lake County

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRAUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 47,410	\$ 4,752	\$ 1	\$ 4,753
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	35,739	2,850		2,850
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	20,161	5,636		5,636
320	Water Treatment Equipment	213,782	23,299		23,299
330	Distribution Reservoirs and Standpipes	4,098	601		601
331	Transmission and Distribution Mains	245,608	14,394		14,394
333	Services	60,420	4,252	(1)	4,251
334	Meters and Meter Installations	39,451	4,754	(1)	4,753
335	Hydrants	22,821	1,273	1	1,274
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment	169	718	(587)	131
341	Transportation Equipment	3,805	12,682	45,208	57,890
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	1,165	1,796	(412)	1,384
344	Laboratory Equipment	27	66	(33)	33
345	Power Operated Equipment				
346	Communication Equipment	637	202	(202)	
347	Miscellaneous Equipment				
348	Other Tangible Plant	12,941	3,086	(1,246)	1,840
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 708,234	\$ 80,361	\$ 42,728	\$ 123,089

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

OTHER CREDITS column (E) * are due to allocation of UIF plant

W-6(a)
GROUP _____

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

SYSTEM NAME / COUNTY Lake County

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO.	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (l)
304	Structures and Improvements	-	\$	\$	-	\$ 52,163
305	Collecting and Impounding Reservoirs	-			-	
306	Lake, River and Other Intakes	-			-	
307	Wells and Springs	-			-	38,589
308	Infiltration Galleries and Tunnels	-			-	
309	Supply Mains	-			-	
310	Power Generation Equipment	-			-	
311	Pumping Equipment	2,126			2,126	23,671
320	Water Treatment Equipment	-			-	237,081
330	Distribution Reservoirs and Standpipes	166			166	4,533
331	Transmission and Distribution Mains	-			-	260,002
333	Services	-			-	64,671
334	Meters and Meter Installations	81			81	44,123
335	Hydrants	-			-	24,095
336	Backflow Prevention Devices	-			-	
339	Other Plant Miscellaneous Equipment	-			-	
340	Office Furniture and Equipment	-			-	300
341	Transportation Equipment	-			-	61,695
342	Stores Equipment	-			-	
343	Tools, Shop and Garage Equipment	-			-	2,549
344	Laboratory Equipment	-			-	60
345	Power Operated Equipment	-			-	
346	Communication Equipment	-			-	637
347	Miscellaneous Equipment	-			-	
348	Other Tangible Plant	-			-	14,781
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 2,373	\$ -	\$ -	\$ 2,373	\$ 828,950

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>890,246</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>2,666</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>-</u>
Total Credits		\$ <u>2,666</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u> </u>
Total Contributions In Aid of Construction		\$ <u>892,912</u>

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

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

rounding adjustment

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

WATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
WATER CONNECTIONS FEES	12	\$ 75	\$ 900
WATER CONNECTIONS FEES	12	147	1,766
	-		-
			-
			-
Total Credits			\$ 2,666

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 259,266
Debits during the year:	
Accruals charged to Account 272	\$ 22,314
Other debits (specify):	
Total debits	\$ 22,314
Credits during the year (specify):	
	\$
Total credits	\$ -
Balance end of year	\$ 281,580

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT
31-Dec-06

SYSTEM NAME / COUNTY Lake County

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

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	1,344	1,468	419,237
461.2	Sales to Commercial Customers			
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities			
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		1,344	1,468	\$ 419,237
462.1	Fire Protection Revenue: 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			
Total Water Sales		1,344	1,468	\$ 419,237
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFP)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			1,111
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 1,111
Total Water Operating Revenues				\$ 420,348

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

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations

UTILITY NAME: JTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT
31-Dec-06

(A)	(B)	(C)	(D)
Accounts	Gross Water Revenues per Sch W-9	Gross Water Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:			-
Unmetered Water Revenues			-
Total Metered Sales	420,348	420,348	(0)
Total Fire Protection Revenue			-
Other Sales to Public Authorities			-
Sales to Irrigation Customers			-
Sales for Resale			-
Interdepartmental Sales			-
Total Other Water Revenue			-
Total Water Operating Revenue	420,348	420,348	(0)
Less: Expense for Purchased Water from FPSC Regulated Utility			-
Net Water Operating Revenues	420,348	420,348	(0)

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 73,638	\$ 16,200	\$ 4,418
603	Salaries and Wages - Officers, Directors and Majority Stockholders			
604	Employee Pensions and Benefits	14,047	3,090	843
610	Purchased Water			
615	Purchased Power	33,909		
616	Fuel for Power Purchased			
618	Chemicals	26,621	26,621	
620	Materials and Supplies	19,739	7,896	1,974
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	8,559		
633	Contractual Services - Legal	130		
634	Contractual Services - Mgt. Fees			
635	Contractual Services - Testing			
636	Contractual Services - Other	3,380		
641	Rental of Building/Real Property			
642	Rental of Equipment			
650	Transportation Expenses	6,677	1,469	401
656	Insurance - Vehicle			
657	Insurance - General Liability			
658	Insurance - Workman's Comp.			
659	Insurance - Other	7,292	1,604	438
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	1,904		
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	84		
675	Miscellaneous Expenses	25,206		
Total Water Utility Expenses		\$ 221,186	\$ 56,880	\$ 8,074

UTILITY NAME:

UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY :

Lake County

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 ADMIN. & GENERAL EXPENSES (k)
\$ 16,200	\$ 4,418	\$ 25,773	\$ 6,629	\$	\$
3,090	843	4,916	1,265		
33,909					
		8,290	1,579		8,559
		0			130
				1,690	1,690
1,469	401	2,337	600		
1,604	438	2,552	656		
					1,904
				84	
				12,603	12,603
\$ 56,272	\$ 6,100	\$ 43,868	\$ 10,729	\$ 14,377	\$ 24,886

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY PENNBROOKE/LAKE

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		13.165	0.059	13.106	120.436
February		11.632	0.049	11.583	11.353
March		17.574	0.037	17.537	13.754
April		19.157	0.033	19.124	18.424
May		19.922	0.038	19.884	17.537
June		17.105	6.000	17.099	18.116
July		16.820	0.014	16.806	13.797
August		16.612	0.110	16.502	16.539
September		15.915	0.044	15.871	12.874
October		21.370	0.043	21.327	18.894
November		16.220	0.009	16.211	14.918
December		14.534	0.009	14.525	13.489
Total for Year		200.026	6.445	199.575	290.131

If water is purchased for resale, indicate the following:
 Vendor NONE
 Point of delivery NONE

If water is sold to other water utilities for redistribution, list names of such utilities below:
NONE

each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
WELL # 1	900GPM	864,000	GROUNDWATER
WELL # 2	900GPM	864,000	GROUNDWATER

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT
31-Dec-06

SYSTEM NAME / COUNTY PENNBROOKE/LAKE

WATER TREATMENT PLANT INFORMATION
Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>0.864 mgd</u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Well head</u>
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>Aeration/Chlorination/Iron Sequestrant</u>
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): <u>N/A</u>	Manufacturer: <u>N/A</u>
FILTRATION	
Type and size of area:	
Pressure (in square feet): _____	Manufacturer: _____
Gravity (in GPM/square feet) <u>600 gpm</u>	Manufacturer: <u>Mixed media/rapid sand filter</u>

UTILITY NAME:

UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY :

PENNBROOKE/LAKE

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	1,313	1,313
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
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				<u>1,313</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC Calculation:

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT
31-Dec-06

SYSTEM NAME / COUNTY PENNBROOKE/LAKE

OTHER WATER SYSTEM INFORMATION

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

1. Present ERC's * the system can efficiently serve. 1,295

2. Maximum number of ERCs * which can be served. 1,400

3. Present system connection capacity (in ERCs *) using existing lines. 1,400

4. Future connection capacity (in ERCs *) upon service area buildout. 1,400

5. Estimated annual increase in ERCs *. 5

6. Is the utility required to have fire flow capacity? Yes
If so, how much capacity is required? 500 gpm

7. Attach a description of the fire fighting facilities. Fire hydrants throughout service area

8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
2005 - Replaced well pumps 1 and 2; performed WTP and system hydraulic analysis.
2006 - Pilot test of iron sequestrant in lieu of filtration and aeration.

9. When did the company last file a capacity analysis report with the DEP? Unknown

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

- a. Attach a description of the plant upgrade necessary to meet the DEP rules. N/A
- b. Have these plans been approved by DEP? N/A
- c. When will construction begin? N/A
- d. Attach plans for funding the required upgrading.
- e. Is this system under any Consent Order with DEP? No

11. Department of Environmental Protection ID # 3354653

12. Water Management District Consumptive Use Permit # 20-069-2717-5

- 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? _____

* An ERC is determined based on the calculation on the bottom of Page W-13.

**WASTEWATER
OPERATION
SECTION**

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY : Lake County

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4A	\$ 2,639,483
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6B	<u>780,215</u>
110	Accumulated Amortization	F-8	<u>3,158</u>
271	Contributions In Aid of Construction	S-7	<u>1,216,875</u>
252	Advances for Construction	F-20	<u>-</u>
Subtotal			\$ <u>639,235</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8A	\$ 409,429
Subtotal			\$ <u>1,048,664</u>
114	Plus or Minus: Acquisition Adjustments (2)	F-7	<u>-</u>
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	<u>-</u>
	Working Capital Allowance (3)		<u>33,508</u>
	Other (Specify):		<u> </u>
			<u> </u>
WASTEWATER RATE BASE			\$ <u>1,082,172</u>
WASTEWATER OPERATING INCOME		S-3	\$ <u>22,261</u>
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			<u><u>2.06%</u></u>

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

(2) Include only those Acquisition Adjustments that have been approved by the Commission.

(3) Calculation consistent with last rate proceeding.

In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9A	\$ 366,014
530	Less: Guaranteed Revenue (and AFPI)	S-9A	
	Net Operating Revenues		\$ 366,014
401	Operating Expenses	S-10A	\$ 268,062
403	Depreciation Expense	S-6A	77,200
	Less: Amortization of CIAC	S-8A	(30,450)
	Net Depreciation Expense		\$ 46,750
406	Amortization of Utility Plant Acquisition Adjustment	F-7	-
407	Amortization Expense (Other than CIAC)	F-8	-
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		17,820
408.11	Property Taxes		17,656
408.12	Payroll Taxes		6,017
408.13	Other Taxes and Licenses		-
408	Total Taxes Other Than Income		\$ 41,493
409.1	Income Taxes		99,157
410.10	Deferred Federal Income Taxes		(96,045)
410.11	Deferred State Income Taxes		(15,845)
411.10	Provision for Deferred Income Taxes - Credit		181
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		\$ 343,753
	Utility Operating Income		\$ 22,261
	Add Back:		
530	Guaranteed Revenue (and AFPI)	S-9A	\$
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		(866)
	Total Utility Operating Income		\$ 21,395

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

SYSTEM NAME / COUNTY Lake County

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 10,738	-	-	\$ 10,738
352	Franchises	-	-	-	-
353	Land and Land Rights	57,035	-	-	57,035
354	Structures and Improvements	873,431	2,941	1,261	875,111
355	Power Generation Equipment	-	-	-	-
360	Collection Sewers - Force	368,678	(16,100)	-	352,578
361	Collection Sewers - Gravity	910,817	395	-	911,212
362	Special Collecting Structures	903	-	-	903
363	Services to Customers	-	-	-	-
364	Flow Measuring Devices	-	-	-	-
365	Flow Measuring Installations	-	-	-	-
366	Reuse Services	-	16,630	-	16,630
367	Reuse Meters and Meter Installations	-	738	-	738
370	Receiving Wells	-	-	-	-
371	Pumping Equipment	-	-	-	-
374	Reuse Distribution Reservoirs	-	-	-	-
375	Reuse Transmission and Distribution System	-	423	-	423
380	Treatment and Disposal Equipment	373,526	24,296	5,792	392,030
381	Plant Sewers	-	-	-	-
382	Outfall Sewer Lines	20,693	1	-	20,694
389	Other Plant Miscellaneous Equipment	-	-	-	-
390	Office Furniture and Equipment	1,391	-	-	1,391
391	Transportation Equipment	-	-	-	-
392	Stores Equipment	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-
394	Laboratory Equipment	-	-	-	-
395	Power Operated Equipment	-	-	-	-
396	Communication Equipment	-	-	-	-
397	Miscellaneous Equipment	-	-	-	-
398	Other Tangible Plant	-	-	-	-
Total Wastewater Plant		\$ 2,617,212	\$ 29,324	\$ 7,053	\$ 2,639,483

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

SYSTEM NAME / COUNTY Lake County

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO.	ACCOUNT NAME	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (i)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (j)	.7 GENERAL PLANT (k)
(a)	(b)	(g)	(h)	(i)	(j)	(i)	(j)	(k)
351	Organization	\$ 10,738						
352	Franchises	-						
353	Land and Land Rights		57,035					
354	Structures and Improvements		875,111					
355	Power Generation Equipment		-					
360	Collection Sewers - Force		352,578					
361	Collection Sewers - Gravity		911,212					
362	Special Collecting Structures		903					
363	Services to Customers		-					
364	Flow Measuring Devices		-					
365	Flow Measuring Installations		-					
366	Reuse Services		16,630					
367	Reuse Meters and Meter Installations		738					
370	Receiving Wells							
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System						423	
380	Treatment and Disposal Equipment				392,030			
381	Plant Sewers				-			
382	Outfall Sewer Lines				20,694			
389	Other Plant Miscellaneous Equipment				-			
390	Office Furniture and Equipment							1,391
391	Transportation Equipment							-
392	Stores Equipment							-
393	Tools, Shop and Garage Equipment							-
394	Laboratory Equipment							-
395	Power Operated Equipment							-
396	Communication Equipment							-
397	Miscellaneous Equipment							-
398	Other Tangible Plant							-
	Total Wastewater Plant	\$ 10,738	\$ 2,214,207	\$ -	\$ 412,724	\$ -	\$ 423	\$ 1,391

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

UTILITY NAME:

UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY : Lake County

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
354	Structures and Improvements			3.13%
355	Power Generation Equipment			
360	Collection Sewers - Force			3.33%
361	Collection Sewers - Gravity			2.22%
362	Special Collecting Structures			2.50%
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			2.00%
367	Reuse Meters and Meter Installations			2.00%
370	Receiving Wells			
371	Pumping Equipment			
375	Reuse Transmission and Distribution System			
380	Treatment and Disposal Equipment			5.56%
381	Plant Sewers			
382	Outfall Sewer Lines			2.86%
389	Other Plant Miscellaneous Equipment			
390	Office Furniture and Equipment			6.67%
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			
394	Laboratory Equipment			
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater Plant Composite Depreciation Rate *				

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

UTILITY NAME: UTILITIES, INC. OF PENNBRooke

SYSTEM NAME / COUNTY : Lake County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
354	Structures and Improvements	\$ 269,797	\$ 27,506	\$ 1	\$ 27,507
355	Power Generation Equipment				
360	Collection Sewers - Force	96,693	11,740	(201)	11,539
361	Collection Sewers - Gravity	253,870	20,844	-	20,844
362	Special Collecting Structures	-	26	13	39
363	Services to Customers	-	-	-	-
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services		409	201	610
367	Reuse Meters and Meter Installations		3	-	3
370	Receiving Wells				
371	Pumping Equipment				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment	82,689	4	-	4
381	Plant Sewers		15,892	(14)	15,878
382	Outfall Sewer Lines	6,488	689	-	689
389	Other Plant Miscellaneous Equipment				
390	Office Furniture and Equipment	328	-	-	-
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	203	87	-	87
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 710,068	\$ 77,200	\$ -	\$ 77,200

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

SYSTEM NAME / COUNTY : Lake County

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO.	ACCOUNT NAME	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
(a)	(b)					
354	Structures and Improvements	\$ 1,261	\$ -	\$ -	\$ 1,261	\$ 296,043
355	Power Generation Equipment	-	-	-	-	-
360	Collection Sewers - Force	-	-	-	-	108,232
361	Collection Sewers - Gravity	-	-	-	-	274,714
362	Special Collecting Structures	-	-	-	-	39
363	Services to Customers	-	-	-	-	-
364	Flow Measuring Devices	-	-	-	-	-
365	Flow Measuring Installations	-	-	-	-	-
366	Reuse Services	-	-	-	-	610
367	Reuse Meters and Meter Installations	-	-	-	-	3
370	Receiving Wells	-	-	-	-	-
371	Pumping Equipment	-	-	-	-	-
375	Reuse Transmission and Distribution System	-	-	-	-	-
380	Treatment and Disposal Equipment	5,792	-	-	5,792	92,775
381	Plant Sewers	-	-	-	-	-
382	Outfall Sewer Lines	-	-	-	-	7,177
389	Other Plant Miscellaneous Equipment	-	-	-	-	-
390	Office Furniture and Equipment	-	-	-	-	328
391	Transportation Equipment	-	-	-	-	-
392	Stores Equipment	-	-	-	-	-
393	Tools, Shop and Garage Equipment	-	-	-	-	290
394	Laboratory Equipment	-	-	-	-	-
395	Power Operated Equipment	-	-	-	-	-
396	Communication Equipment	-	-	-	-	-
397	Miscellaneous Equipment	-	-	-	-	-
398	Other Tangible Plant	-	-	-	-	-
Total Depreciable Wastewater Plant in Service		\$ 7,053	\$ -	\$ -	\$ 7,053	\$ 780,215

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (c)
Balance first of year		\$ <u>1,216,875</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	S-8A	\$ <u> -</u>
Contributions received from Developer or Contractor Agreements in cash or property	S-8B	<u> -</u>
Total Credits		\$ <u> -</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u> </u>
Total Contributions In Aid of Construction		\$ <u>1,216,875</u>

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

WASTEWATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
<u>SEWER CONNECTIONS FEES (NONE)</u>	-	\$ -	\$ -
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ <u>-</u>

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 378,979
Debits during the year:	
Accruals charged to Account 272	\$ 30,450
Other debits (specify) :	
_____	_____
_____	_____
Total debits	\$ 30,450
Credits during the year (specify) :	
_____	\$ _____
_____	_____
Total credits	\$ -
Balance end of year	\$ <u>409,429</u>

Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

(A)	(B)	(C)	(D)
Accounts	Gross Wastewater Revenues per Sch S-9	Gross Wastewater Revenues per RAF Return	Difference (B)-(C)
Gross Revenues:			-
Total Flat-Rate Revenues			-
Total Measured Revenues	366,014	366,014	(0)
Revenues from Public Authorities			-
Revenues from Other Systems			-
Interdepartmental Revenues			-
Total Other Wastewater Revenues			-
Reclaimed Water Sales			-
Total Wastewater Operating Revenue	366,014	366,014	(0)
Less: Expense for Purchased Wastewater from FPSC Regulated Utility			-
Net Wastewater Operating Revenues	366,014	366,014	(0)

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT
31-Dec-06

SYSTEM NAME / COUNTY Lake County

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
Flat Rate Revenues:				
521.1	Residential Revenues	1,244	1,250	\$ 365,047
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues	1,244	1,250	\$ 365,047
Measured Revenues:				
522.1	Residential Revenues			
522.2	Commercial Revenues			
522.3	Industrial Revenues			
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues			
522	Total Measured Revenues			\$
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
Total Wastewater Sales		1,244	1,250	\$ 365,047
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$
531	Sale of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			967
Total Other Wastewater Revenues				\$ 967

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY Lake County

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues	_____	_____	\$ _____
540.2	Commercial Reuse Revenues	_____	_____	_____
540.3	Industrial Reuse Revenues	_____	_____	_____
540.4	Reuse Revenues From Public Authorities	_____	_____	_____
540.5	Other Revenues	_____	_____	_____
540	Total Flat Rate Reuse Revenues	_____	_____	\$ _____
541.1	Measured Reuse Revenues: Residential Reuse Revenues	_____	_____	_____
541.2	Commercial Reuse Revenues	_____	_____	_____
541.3	Industrial Reuse Revenues	_____	_____	_____
541.4	Reuse Revenues From Public Authorities	_____	_____	_____
541	Total Measured Reuse Revenues	_____	_____	\$ _____
544	Reuse Revenues From Other Systems	_____	_____	_____
Total Reclaimed Water Sales				\$ _____
Total Wastewater Operating Revenues				\$ <u>366,014</u>

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

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

SYSTEM NAME / COUNTY: Lake County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	CURRENT YEAR	.1	.2	.3	.4	.5	.6
(a)	(b)	(c)	COLLECTION EXPENSES- OPERATIONS (d)	COLLECTION EXPENSES- MAINTENANCE (e)	PUMPING EXPENSES - OPERATIONS (f)	PUMPING EXPENSES - MAINTENANCE (g)	TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 69,455	\$ 2,084	\$ 8,335	\$ 13,891	\$ 3,473	\$ 33,338	\$ 8,334
703	Salaries and Wages - Officers, Directors and Majority Stockholders							
704	Employee Pensions and Benefits	12,234	367	856	1,468	612	3,670	1,468
710	Purchased Sewage Treatment							
711	Sludge Removal Expense	62,788					62,788	
715	Purchased Power	32,634			8,159		24,475	
716	Fuel for Power Purchased							
718	Chemicals	23,184					23,184	
720	Materials and Supplies	30,626	1,225	4,900	7,350	1,838	12,250	3,063
731	Contractual Services-Engineering	-						
732	Contractual Services - Accounting	7,453						
733	Contractual Services - Legal	113						
734	Contractual Services - Mgt. Fees	-						
735	Contractual Services - Testing							
736	Contractual Services - Other	2,942						
741	Rental of Building/Real Property							
742	Rental of Equipment							
750	Transportation Expenses	5,814	174	698	1,163	291	2,791	697
756	Insurance - Vehicle							
757	Insurance - General Liability							
758	Insurance - Workman's Comp.							
759	Insurance - Other	6,351						
760	Advertising Expense							
766	Regulatory Commission Expenses							
	- Amortization of Rate Case Expense	1,621						
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense	73						
775	Miscellaneous Expenses	12,774						
Total Wastewater Utility Expenses		\$ 268,062	\$ 3,850	\$ 14,789	\$ 32,031	\$ 6,214	\$ 162,496	\$ 13,562

UTILITY NAME: UTILITIES, INC. OF PENNBROOKE

SYSTEM NAME / COUNTY : Lake County

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits	3,793					
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering		0				
732	Contractual Services - Accounting		7,453				
733	Contractual Services - Legal		113				
734	Contractual Services - Mgt. Fees		0				
735	Contractual Services - Testing		0				
736	Contractual Services - Other	1,471	1,471				
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workman's Comp.						
759	Insurance - Other		6,351				
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense		1,621				
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense	73					
775	Miscellaneous Expenses	6,387	6,387				
	Total Wastewater Utility Expenses	\$ 11,724	\$ 23,396	\$ -	\$ -	\$ -	\$ -

UTILITY NAME:

UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT 31-Dec-06

SYSTEM NAME / COUNTY :

PENNBROOKE/LAKE

CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	1,241	1,241
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
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 Wastewater System Meter Equivalents				<u>1,241</u>

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:

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

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.
 Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day

NOTE: Total gallons treated includes both treated and purchased treatment.

ERC Calculation:

UTILITY NAME:

UTILITIES, INC. OF PENNBROOKE

<p>YEAR OF REPORT 31-Dec-06</p>
--

SYSTEM NAME / COUNTY PENNBROOKE/LAKE

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	0.180 mgd		
Basis of Permit Capacity (1)	AADF		
Manufacturer	Mack Industries		
Type (2)	Ext Air		
Hydraulic Capacity	0.180 mgd		
Average Daily Flow	0.070	mgd	
Total Gallons of Wastewater Treated	31.062	mgd	
Method of Effluent Disposal	8 Ponds and golf course irrigation		

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit (i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.

UTILITY NAME:

UTILITIES, INC. OF PENNBROOKE

YEAR OF REPORT
31-Dec-06

SYSTEM NAME / COUNTY PENNBROOKE/LAKE

OTHER WASTEWATER SYSTEM INFORMATION

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

1. Present number of ERCs* now being served 1,244

2. Maximum number of ERCs* which can be served 1,782

3. Present system connection capacity (in ERCs*) using existing lines 1,782

4. Future connection capacity (in ERCs*) upon service area buildout 1,782

5. Estimated annual increase in ERCs* 0

6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
2006 - Construct second point of entry of finished water into distribution system.

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. Pennbrooke Fairways GC, 0.079 mgd

8. If the utility does not engage in reuse, has a reuse feasibility study been completed? N/A

If so, when? _____

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 this requirement? _____

10. When did the company last file a capacity analysis report with the DEP? 2003

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 construction begin? N/A

d. Attach plans for funding the required upgrading.

e. Is this system under any Consent Order with DEP? No

12. Department of Environmental Protection ID # FLA 010570

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