

CLASS "A" OR "B"

WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

OF

WU193-04-AR
Roland Tobler
Placid Lakes Utilities, Inc.
410 Washington Blvd., NW
Lake Placid, FL 33852-6779

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED December 31, 2004

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REGISTRATION

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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.
X	X	X	X


(Signature of Chief Executive Officer of the utility) *

1.	2.	3.	4.
X	X	X	X


(Signature of Chief Financial Officer of the utility) *

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

NOTICE provides that any person who knowingly makes a false statement in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2004

PLACID LAKED UTILITIES, INC.
(Exact Name of Utility)

County: HIGHLANDS

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

410 Washington Boulevard NW
Lake Placid, FL 33852

Telephone: (863) 46509345

E Mail Address: plcomm@earthlink.net

WEB Site:

Sunshine State One-Call of Florida, Inc. Member Number PL1020

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

Peggy Ann Brewer
410 Washington Blvd. NW
Lake Placid, FL 33852

Telephone: (863) 465-0345

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

410 Washington Blvd. NW
Lake Placid, FL 33852

Telephone: (863) 465-0345

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

Date of original organization of the utility: June 11, 1970

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.	LAKE PLACID HOLDING COMPANY	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.

Placid Lakes Utilities, Inc.(PLU) has served the subdivision of Placid Lakes since 1970. Our goal is to provide quality service and product to our customers. PLU filed for a limited proceeding to obtain funds for needed items, one of which was a back-up generator. Due to the foresight, PLU was able to provide continuous uninterrupted service during all three hurricanes which hit our area this past year. PLU has approximately 1,718 services out of a possible 8,500 connections. PLU had 97 new services last year. This exceeds the growth in 2003 by one third. There has been an increased interest in our area, so we look for growth to continue at approximately 100 services per year. Due to the extensive area of the subdivision and the additional requirements from DEP concerning line flushing and valve turning, we have more to do than our current employees can keep up with. With the growth comes increased locates. PLU is working with engineers to find a computer program to map lines, valves, and flush outs. Our plant operator and other employees engineered an automatic flush valve that costs under \$300.00 Florida Rural Water Association has posted it on their website to share with other utilities.

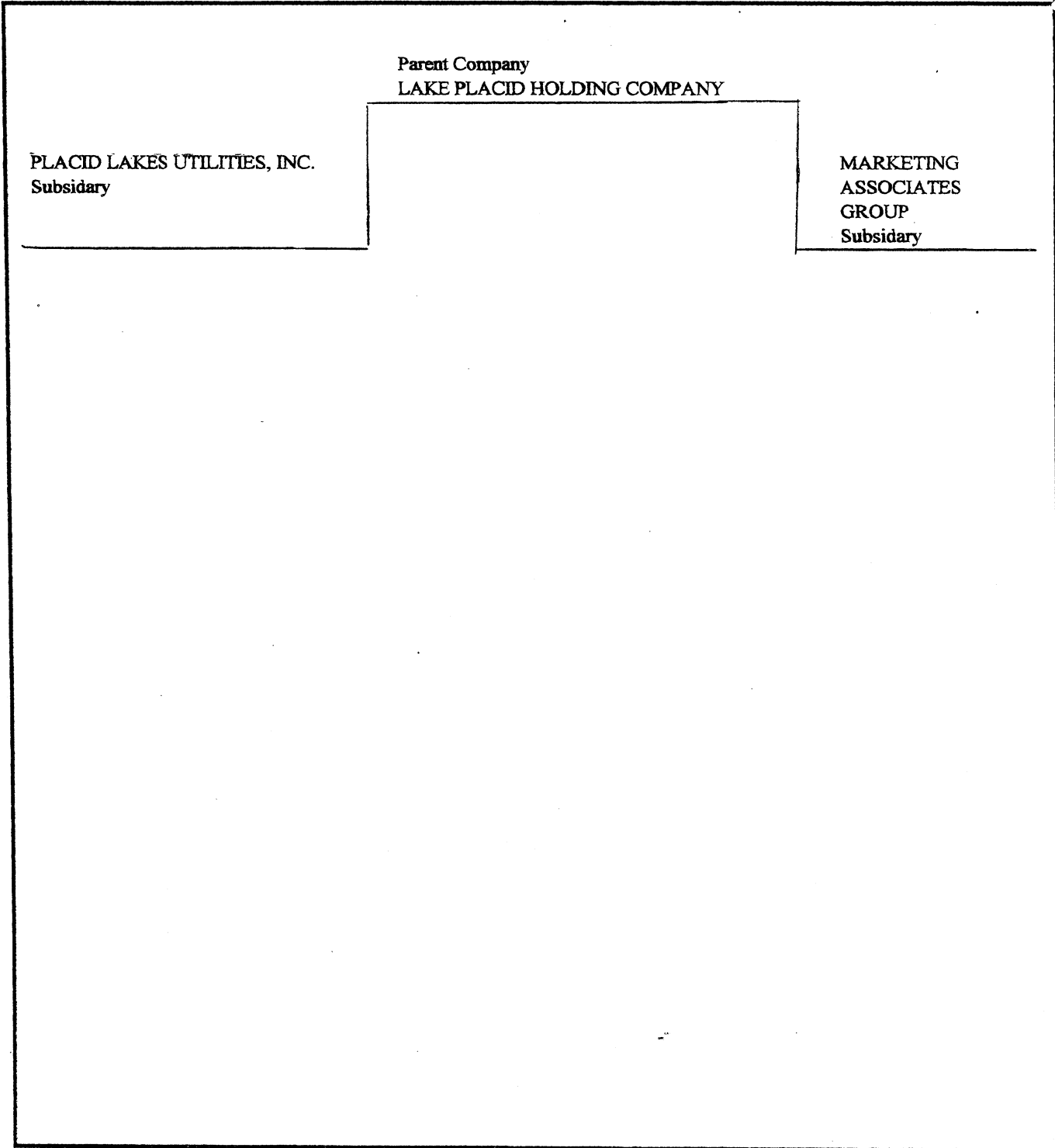
UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT
December 31, 2004

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/2004

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



COMPENSATION OF OFFICERS

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)
ROLAND TOBLER	PRESIDENT	33	\$ 10,000
SCOTT HUTCHINS	VICE PRESIDENT	33	10,000
PEGGY ANN BREWER	SECRETARY/ TREASURER	33	10,000
LARRY P KING	CONTROLLER	5	0

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)
ROLAND TOBLER	DIRECTOR	12	\$ 0
SCOTT HUTCHINS	DIRECTOR	12	0
PEGGY ANN BREWER	DIRECTOR	12	0
LARRY P KING	DIRECTOR	12	0

**FINANCIAL
SECTION**

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

**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	\$ 2,135,990	\$ 2,276,494
108-110	Less: Accumulated Depreciation and Amortization	F-8	779,128	823,196
Net Plant			\$ 1,356,862	\$ 1,453,298
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 1,356,862	\$ 1,453,298
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ 55,553	\$ 55,553
122	Less: Accumulated Depreciation and Amortization		-34,441	-36,663
Net Nonutility Property			\$ 21,112	\$ 18,890
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			\$ 21,112	\$ 18,890
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 37,934	\$ 63,025
132	Special Deposits	F-9		
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	46,546	53,142
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12	129,799	
151-153	Material and Supplies		42,397	43,185
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	4,848	17,282
Total Current and Accrued Assets			\$ 261,524	\$ 176,634

* Not Applicable for Class B Utilities

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

**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	68,239	29,121
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		_____	_____
Total Deferred Debits			\$ <u>68,239</u>	\$ <u>29,121</u>
TOTAL ASSETS AND OTHER DEBITS			\$ <u><u>1,707,737</u></u>	\$ <u><u>1,677,943</u></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	\$ 500	\$ 500
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		1,342,285	1,342,285
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	-1,517,008	-1,568,947
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ -174,223	\$ -226,162
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17	1,032,475	983,518
224	Other Long Term Debt	F-17	16,374	12,927
Total Long Term Debt			\$ 1,048,849	\$ 996,445
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		3,326	4,434
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18	9,630	
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		12,236	17,633
236	Accrued Taxes	W/S-3	8,680	2,316
237	Accrued Interest	F-19	145,401	142,475
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20		
Total Current & Accrued Liabilities			\$ 179,273	\$ 166,858

* Not Applicable for Class B Utilities

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

**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	\$ 1,186,729	\$ 1,309,506
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	-532,891	-568,704
Total Net C.I.A.C.			\$ <u>653,838</u>	\$ <u>740,802</u>
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 Accumulated Deferred Income Tax			\$ _____	\$ _____
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ <u>1,707,737</u>	\$ <u>1,677,943</u>

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT
December 31,2004

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)	\$ 479,331	\$ 530,952
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)	23,858	35,600
Net Operating Revenues			\$ 455,473	\$ 495,352
401	Operating Expenses	F-3(b)	\$ 382,647	\$ 392,863
403	Depreciation Expense:	F-3(b)	\$ 65,986	\$ 70,084
	Less: Amortization of CIAC	F-22	30,504	35,813
Net Depreciation Expense			\$ 35,482	\$ 34,271
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		
408	Taxes Other Than Income	W/S-3	55,900	62,127
409	Current Income Taxes	W/S-3		0
410.10	Deferred Federal Income Taxes	W/S-3		0
410.11	Deferred State Income Taxes	W/S-3		0
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		0
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		0
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		0
Utility Operating Expenses			\$ 474,029	\$ 489,261
Net Utility Operating Income			\$ -18,556	\$ 6,091
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)	23,858	35,600
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ 5,302	\$ 41,691

* For each account, Column e should agree with Columns 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>530,952</u> <u>-35,600</u>	\$ _____	\$ _____
\$ <u>495,352</u>	\$ _____	\$ _____
\$ <u>392,863</u>	\$ _____	\$ _____
<u>70,084</u> <u>35,813</u>	<u>0</u>	_____
\$ <u>34,271</u> <u>34,271</u>	\$ _____	\$ _____
_____ _____ <u>62,127</u> _____ _____ _____ _____	_____ _____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____ _____
\$ <u>489,261</u>	\$ _____	\$ _____
\$ <u>6,091</u>	\$ _____	\$ _____
<u>35,600</u> _____ _____	_____ _____ _____	_____ _____ _____
\$ <u><u>41,691</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>5,302</u>	\$ <u>41,691</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		_____	<u>23,068</u>
421	Nonutility Income		<u>9,223</u>	<u>13,691</u>
426	Miscellaneous Nonutility Expenses		<u>-14,930</u>	<u>-15,487</u>
Total Other Income and Deductions			\$ <u>-5,707</u>	\$ <u>21,272</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			\$ _____	\$ _____
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ <u>119,416</u>	\$ <u>114,902</u>
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ <u>119,416</u>	\$ <u>114,902</u>
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ _____	\$ _____
NET INCOME			\$ <u><u>-119,821</u></u>	\$ <u><u>-51,939</u></u>

Explain Extraordinary Income:

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

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	\$ 2,276,494	\$
	Less:			
	Nonused and Useful Plant (1)		326,020	
108	Accumulated Depreciation	F-8	823,196	0
110	Accumulated Amortization	F-8		0
271	Contributions In Aid of Construction	F-22	1,309,506	0
252	Advances for Construction	F-20		
Subtotal			\$ -182,228	\$
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	568,704	0
Subtotal			\$ 386,476	\$
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		49,113	
	Other (Specify):			

RATE BASE			<u>\$ 435,589</u>	<u>\$</u>
NET UTILITY OPERATING INCOME			<u>\$ 6,091</u>	<u>\$</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			<u>1.40%</u>	<u></u>

NOTES :

- (1) ogy used in the last rate proceeding.
- (2) s that have been approved by the Commission.
- (3) with last rate proceeding.

Class A utilities will use the Balance Sheet Method and 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	\$ -207,272	0.00%	11	
Preferred Stock				
Long Term Debt	969,769	100.00%	0	10.50%
Customer Deposits				
Tax Credits - Zero Cost				
Tax Credits - Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$ <u>762,497</u>	<u>100.00%</u>		<u>10.50%</u>

(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

Return on Equity:	<u>10.50%</u>
Case No. on Equity:	<u>PSC-00110621-WU</u>

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

AFUDC rate:	<u> </u> %
AFUDC rate:	<u> </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: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT
December 31,2004

**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	\$ 2,276,494	\$ _____	\$ _____	\$ 2,276,494
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	\$ 2,276,494	\$ _____	\$ _____	\$ 2,276,494

**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	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Plant Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
	Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____

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	\$ 779,128	\$	\$	\$ 779,128
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 70,084	\$	\$	\$ 70,084
Account 108.2 (2)	_____	_____	_____	_____
Account 108.3 (2)	_____	_____	_____	_____
Other Accounts (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Salvage	_____	_____	_____	_____
Other Credits (Specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits	\$ 70,084	\$	\$	\$ 70,084
Debits during year:				
Book cost of plant retired	-26,016	_____	_____	-26,016
Cost of Removal	_____	_____	_____	_____
Other Debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$ -26,016	\$	\$	\$ 26,016
Balance end of year	<u>\$ 823,196</u>	<u>\$</u>	<u>\$</u>	<u>\$ 823,196</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$	\$	\$	\$
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>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

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

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

**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)
PSC-01-0327-PAA-WU 25%PER ORDER	\$ _____	666	\$ 21,099
PSC-0011621-WU 25%PER ORDER	_____	666	11,100
_____	_____	_____	_____
Total	\$ _____	666	\$ 32,199

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)
WASTEWATER TREATMENT PLANT	\$ 55,553	\$ _____	\$ _____	\$ 55,553
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ 55,553	\$ _____	\$ _____	\$ 55,553

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): _____ _____ _____	\$ _____ _____ _____
Total Special Deposits	\$ _____
OTHER SPECIAL DEPOSITS (Account 133): _____ _____ _____	\$ _____ _____ _____
Total Other Special Deposits	\$ _____

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31, 2004
--

**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): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): _____ _____ _____ _____ _____		\$ _____ _____ _____ _____ _____
Total Special Funds		\$ _____

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31, 2004
--

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)
ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 53,142	
Wastewater	_____	
Other	_____	
Total Customer Accounts Receivable		\$ 53,142
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ _____
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ _____
Accounts and Notes Receivable		\$ <u>53,142</u>
ADJUSTED PROVISION FOR DUPLICATE 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	\$ _____	
Accounts written off during year:		
Utility Accounts	_____	
Others	_____	
_____	_____	
_____	_____	
Unpaid accounts written off	\$ _____	
Balance end of year		\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ <u>53,142</u>

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31, 2004
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ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
_____	_____ %	\$ _____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
Total		\$ _____

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Prepaid Rent _____	\$ 1,477
Prepaid Health Insurance _____	2,407
Prepaid Postage _____	1,000
Prepaid Chemicals _____	293
Prepaid PSC Annual Fee _____	12,104
Total Miscellaneous Current and Accrued Liabilities	\$ 17,281

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

**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): _____ _____ _____	\$ _____ _____ _____	\$ _____ _____ _____
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)
_____ _____ _____	\$ _____ _____ _____
Total Extraordinary Property Losses	\$ _____

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
PSC-01-0327-PAA-WU	\$ 21,099	\$ 0
PSC-0011621-WU	11,100	22,200
Total Deferred Rate Case Expense	\$ 32,199	\$ 22,200
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
NON-RECURRING ACCOUNTING	\$ 6,919	\$ 6,921
Total Other Deferred Debits	\$ 6,919	\$ 6,921
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$	\$
Total Regulatory Assets	\$	\$
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ 39,118	\$ 29,121

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	%	\$ 1
Shares authorized		500
Shares issued and outstanding		500
Total par value of stock issued	%	\$ 500
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)	
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

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

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

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	\$ -1,517,008
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	\$ -51,939
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	\$ -1,568,947
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ <u>-1,568,947</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,

**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): _____ _____ _____ _____ _____ _____ _____ _____	_____ % _____ % _____ % _____ % _____ % _____ % _____ % _____ %	_____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____
Total Account 232			\$ _____
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234): _____ _____ _____ _____ _____ _____ _____ _____	_____ % _____ % _____ % _____ % _____ % _____ % _____ % _____ %	_____ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____ _____
Total Account 234			\$ _____

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____

**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					
Lake Placid Holding Company-Plant Expansion Loan	\$ 10,874	427	\$ 45,637	\$ 42,295	\$ 14,216
Lake Placid Holding Company - Line Extension Loan	4,113	427	17,076	16,133	5,056
Lake Placid Holding Company -Catfish Creek Loan	7,211	427	468	7,679	
Lake Placid Holding Company - Operating Loan	105,585	427	48,888	48,888	105,585
Lake Placid Holding Company-Wastewater	17,618	426	4,644	4,644	17,618
Lake Placid Holding Company-Truck Loan	0	427	742	742	
Total Account 237.1	\$ 145,401		\$ 117,455	\$ 120,381	\$ 142,475
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities					
Customer Deposits	\$	427	204	\$ 204	\$
Total Account 237.2	\$		204	\$	\$
Total Account 237 (1)	\$ 145,401		\$ 117,659	\$ 120,585	\$ 142,475
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 117,659		
Less Capitalized Interest Portion of AFUDC:					
Less Interest Charged to Acc 426			4,644		
Net Interest Expensed to Account No. 427 (2)			\$ 113,015		

(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

UTILITY NAME: PLACID LAKE UTILITIES, INC.

YEAR OF REPORT
December 31, 2004

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
	\$ _____

Total Miscellaneous Current and Accrued Liabilities	\$ _____

ADVANCES FOR CONSTRUCTION
ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
	\$ _____		\$ _____	\$ _____	\$ _____
	_____		_____	_____	_____
	_____		_____	_____	_____
	_____		_____	_____	_____
	_____		_____	_____	_____
	_____		_____	_____	_____
	_____		_____	_____	_____
	_____		_____	_____	_____
	_____		_____	_____	_____
Total	\$ _____		\$ _____	\$ _____	\$ _____

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

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

**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):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ <u>_____</u>	\$ <u>_____</u>
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ <u>_____</u>	\$ <u>_____</u>
TOTAL OTHER DEFERRED CREDITS	\$ <u>#VALUE!</u>	\$ <u>#VALUE!</u>

UTILITY NAME: PLACID LAKE UTILITIES, INC.

YEAR OF REPORT December 31, 2004
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**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>1,186,729</u>	\$ _____	\$ _____	\$ <u>1,186,729</u>
Add credits during year:	\$ <u>122,777</u>	\$ _____	\$ _____	\$ <u>122,777</u>
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ <u><u>1,309,506</u></u>	\$ <u><u> </u></u>	\$ <u><u> </u></u>	\$ <u><u>1,309,506</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>532,891</u>	\$ _____	\$ _____	\$ <u>532,891</u>
Debits during the year:	\$ <u>35,813</u>	\$ _____	\$ _____	\$ <u>35,813</u>
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>568,704</u></u>	\$ <u><u> </u></u>	\$ <u><u> </u></u>	\$ <u><u>568,704</u></u>

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

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

- The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax 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.
- 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>-51,939</u>
Reconciling items for the year:		
Taxable income not reported on books:		
CIAC Collections		86,964
Deductions recorded on books not deducted for return:		
Income recorded on books not included in return:		
Deduction on return not charged against book income:		
Tax Depreciation over books		-7,438
Federal tax net income		\$ <u><u>27,587</u></u>

Computation of tax :

**WATER
OPERATION
SECTION**

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

SYSTEM NAME / COUNTY : HIGHLANDS

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)	\$ 2,276,494
	Less:		
	Nonused and Useful Plant (1)		326,020
108	Accumulated Depreciation	W-6(b)	823,196
110	Accumulated Amortization		
271	Contributions In Aid of Construction	W-7	1,309,506
252	Advances for Construction	F-20	
Subtotal			\$ -182,228
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 568,704
Subtotal			\$ 386,476
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		49,113
	Other (Specify):		
WATER RATE BASE			\$ 435,589
WATER OPERATING INCOME		W-3	\$ 6,091
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			<u>1.40%</u>

NOTES : ology used in the last rate proceeding.

ion Adjustments that have been approved by the Commission.

ation consistent with last rate proceeding.

rate proceeding, Class A utilities will use the Balance Sheet Method and es will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT
December 31,2004

SYSTEM NAME / COUNTY : HIGHLANDS

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	W-9	\$ 530,952
469	Less: Guaranteed Revenue and AFPI	W-9	-35,600
Net Operating Revenues			\$ 495,352
401	Operating Expenses	W-10(a)	\$ 392,863
403	Depreciation Expense	W-6(a)	70,084
	Less: Amortization of CIAC	W-8(a)	35,813
Net Depreciation Expense			\$ 34,271
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		23,893
408.11	Property Taxes		21,790
408.12	Payroll Taxes		15,505
408.13	Other Taxes and Licenses		939
408	Total Taxes Other Than Income		\$ 62,127
409.1	Income Taxes		
410.10	Deferred Federal Income Taxes		
410.11	Deferred State 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			\$ 489,261
Utility Operating Income			\$ 6,091
Add Back:			
469	Guaranteed Revenue (and AFPI)	W-9	\$ 35,600
413	Income From Utility Plant Leased to Others		
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ 41,691

YEAR OF REPORT
December 31, 2004

UTILITY NAME: PLACID LAKE UTILITIES, INC.

SYSTEM NAME / COUNTY: HIGHLANDS

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$	\$	\$	\$
302	Franchises				
303	Land and Land Rights	1,000			1,000
304	Structures and Improvements	60,995	9,640		70,635
305	Collecting and Impounding Reservoirs	32,429			32,429
306	Lake, River and Other Intakes				
307	Wells and Springs	110,904	2,220		113,124
308	Infiltration Galleries and Tunnels				
309	Supply Mains	48,851			48,851
310	Power Generation Equipment	16,326	64,185	-16,326	64,185
311	Pumping Equipment	126,189			126,189
320	Water Treatment Equipment	20,675			20,675
330	Distribution Reservoirs and Standpipes	259,304			259,304
331	Transmission and Distribution Mains	1,006,489	68,788		1,075,277
333	Services	82,965	13,561		96,526
334	Meters and Meter Installations	210,912	41,062	-9,690	242,284
335	Hydrants	32,339			32,339
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment	0	1,671		1,671
340	Office Furniture and Equipment	22,493	2,782		25,275
341	Transportation Equipment	36,707			36,707
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	5,330			5,330
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	2,817	612		3,429
347	Miscellaneous Equipment	21,264			21,264
348	Other Tangible Plant				
	TOTAL WATER PLANT	\$ 209,798	\$ 204,521	\$ -26,016	\$ 227,649

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

UTILITY NAME: PLACID LAKE UTILITIES, INC.

SYSTEM NAME / COUNTY : HIGHLANDS

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	\$	\$	\$	\$	\$	\$
302	Franchises						
303	Land and Land Rights	1,000			1,000		
304	Structures and Improvements	70,635			70,635		
305	Collecting and Impounding Reservoirs	32,429		32,429			
306	Lake, River and Other Intakes						
307	Wells and Springs	113,124		113,124			
308	Infiltration Galleries and Tunnels						
309	Supply Mains	48,851		48,851			
310	Power Generation Equipment	64,185		64,185			
311	Pumping Equipment	126,189		126,189			
320	Water Treatment Equipment	20,675			20,675		
330	Distribution Reservoirs and Standpipes	259,304				259,304	
331	Transmission and Distribution Mains	1,075,277				1,075,277	
333	Services	96,526				96,526	
334	Meters and Meter Installations	242,284				242,284	
335	Hydrants	32,339				32,339	
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment	1,671				1,671	
340	Office Furniture and Equipment	25,275					25,275
341	Transportation Equipment	36,707					36,707
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	5,330					5,330
344	Laboratory Equipment						
345	Power Operated Equipment						
346	Communication Equipment	3,429					3,429
347	Miscellaneous Equipment	21,264					21,264
348	Other Tangible Plant						
	TOTAL WATER PLANT	\$ 227,6494	\$	\$ 384,778	\$ 923,10	\$ 1,707,401	\$ 92,005

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31, 2004
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SYSTEM NAME / COUNTY : HIGHLANDS

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	32		3.13%
305	Collecting and Impounding Reservoirs	50		2.00%
306	Lake, River and Other Intakes			
307	Wells and Springs	30		3.33%
308	Infiltration Galleries and Tunnels			
309	Supply Mains	35		2.86%
310	Power Generation Equipment	20		5.00%
311	Pumping Equipment	20		5.00%
320	Water Treatment Equipment	22		4.55%
330	Distribution Reservoirs and Standpipes	37		2.70%
331	Transmission and Distribution Mains	43		2.33%
333	Services	40		2.50%
334	Meters and Meter Installations	15		6.67%
335	Hydrants	45		2.22%
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment	18		5.56%
340	Office Furniture and Equipment	15		6.67%
341	Transportation Equipment	6		16.67%
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	16		6.25%
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	10		10.00%
347	Miscellaneous Equipment	15		6.67%
348	Other Tangible Plant			
Water Plant Composite Depreciation Rate *		31		3.20%

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

YEAR OF REPORT
December 31, 2004

UTILITY NAME: PLACID LAKE UTILITIES, INC.

SYSTEM NAME / COUNTY: HIGHLANDS

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)
304	Structures and Improvements	\$ 37,501	\$ 2,057	\$	\$ 2,057
305	Collecting and Impounding Reservoirs	20,736	649		649
306	Lake, River and Other Intakes				
307	Wells and Springs	36,131	3,734		3,734
308	Infiltration Galleries and Tunnels				
309	Supply Mains	9,075	1,396		1,396
310	Power Generation Equipment	14,435	2,013		2,013
311	Pumping Equipment	30,900	6,309		6,309
320	Water Treatment Equipment	14,881	940		940
330	Distribution Reservoirs and Standpipes	44,552	7,008		7,008
331	Transmission and Distribution Mains	401,140	24,207		24,207
333	Services	28,034	2,244		2,244
334	Meters and Meter Installations	94,618	15,107		15,107
335	Hydrants	7,699	719		719
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment	0	46		46
340	Office Furniture and Equipment	4,579	1,592		1,592
341	Transportation Equipment	17,389	0		0
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	3,309	333		333
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment	115	312		312
347	Miscellaneous Equipment	14,034	1,418		1,418
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 779,128	\$ 70,084	\$	\$ 70,084

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

YEAR OF REPORT
December 31, 2004

UTILITY NAME: PLACID LAKE UTILITIES, INC.

SYSTEM NAME / COUNTY: HIGHLANDS

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					\$ 39,558
305	Collecting and Impounding Reservoirs					21,385
306	Lake, River and Other Intakes					
307	Wells and Springs					39,865
308	Infiltration Galleries and Tunnels					
309	Supply Mains					10,471
310	Power Generation Equipment	-16,326			-16,326	122
311	Pumping Equipment					37,209
320	Water Treatment Equipment					15,821
330	Distribution Reservoirs and Standpipes					51,560
331	Transmission and Distribution Mains					425,347
333	Services					30,278
334	Meters and Meter Installations	-9,690			-9,690	100,035
335	Hydrants					8,419
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					46
340	Office Furniture and Equipment					6,171
341	Transportation Equipment					17,389
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					3,642
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					427
347	Miscellaneous Equipment					15,452
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION						\$ 823,196

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

SYSTEM NAME / COUNTY : HIGHLANDS

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
Water Sales:				
460	Unmetered Water Revenue			\$
Metered Water Revenue:				
461.1	Sales to Residential Customers	1,589	1,686	473,085
461.2	Sales to Commercial Customers	29	29	15,936
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	1	1	157
461.5	Sales Multiple Family Dwellings			
Total Metered Sales		<u>1,619</u>	<u>1,716</u>	\$ <u>489,178</u>
Fire Protection Revenue:				
462.1	Public Fire Protection	2	2	230
462.2	Private Fire Protection			
Total Fire Protection Revenue		<u>2</u>	<u>2</u>	\$ <u>230</u>
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers			
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		<u><u>1,621</u></u>	<u><u>1,718</u></u>	\$ <u><u>489,408</u></u>
Other Water Revenues:				
469	Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ 35,600
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			5,944
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ <u>41,544</u>
Total Water Operating Revenues				\$ <u><u>530,952</u></u>

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

UTILITY NAME:

PLACID LAKED UTILITIES, INC.

YEAR OF REPORT
December 31,2004

SYSTEM NAME / COUNTY :

HIGHLANDS

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	\$ 147,765	\$ 11,517	\$ 10,793
603	Salaries and Wages - Officers, Directors and Majority Stockholders	30,000		
604	Employee Pensions and Benefits	28,870		
610	Purchased Water			
615	Purchased Power	13,089	9,308	
616	Fuel for Power Purchased	1,732	1,732	
618	Chemicals	11,845		
620	Materials and Supplies	7,466	2,422	42
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	6,919		
633	Contractual Services - Legal			
634	Contractual Services - Mgt. Fees	30,833		
635	Contractual Services - Testing	1,305	680	
636	Contractual Services - Other	9,231		2,981
641	Rental of Building/Real Property	17,719	5,850	
642	Rental of Equipment			
650	Transportation Expenses	1,966		
656	Insurance - Vehicle	2,276		
657	Insurance - General Liability	6,720		
658	Insurance - Workman's Comp.	8,588		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	32,199		
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense			
675	Miscellaneous Expenses	34,340	1,276	331
Total Water Utility Expenses		\$ 392,863	\$ 32,785	\$ 14,147

UTILITY NAME:

PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31, 2004
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SYSTEM NAME / COUNTY :

HIGHLANDS

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)
\$ 28,750	\$ 3,327	\$ 18,089	\$ 22,286	\$ 46,622	\$ 6,381
					30,000
12,541		7,305		8,664	360
3,045				736	
11,845					
1,156	2,040	383	383	920	120
					6,919
				15,416	15,417
625				2,580	
5,850	2,259	1,134	277	6,019	
				1,966	
				2,276	
					6,720
1,860		1,860		4,868	
					32,199
883			6,804	19,957	5,089
<u>\$ 66,555</u>	<u>\$ 7,626</u>	<u>\$ 28,771</u>	<u>\$ 29,750</u>	<u>\$ 110,024</u>	<u>\$ 103,205</u>

UTILITY NAME:

PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31, 2004
--

SYSTEM NAME / COUNTY :

HIGHLANDS

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		8,142		8,142	9,942
February		7,026		7,026	7,483
March		8,280		8,280	8,912
April		8,804		8,804	9,143
May		9,658		9,658	10,751
June		8,394		8,394	7,484
July		8,388		8,388	8,421
August		7,460		7,460	8,259
September		7,554		7,554	8,363
October		8,024		8,024	7,613
November		8,811		8,811	8,941
December		8,078		8,078	8,099
Total for Year		98619		98619	103411

If water is purchased for resale, indicate the following:

Vendor _____
Point of delivery _____

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

each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
WELL #1	133,300	70,792	Ground Water
WELL #2	133,400	114,252	Ground Water
WELL #3	133,300	97,447	Ground Water

UTILITY NAME: PLACID LAKED UTILITIES, INC.

YEAR OF REPORT December 31,2004

SYSTEM NAME / COUNTY : HIGHLANDS

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	1,686	1,686
3/4"	Displacement	1.5		
1"	Displacement	2.5	29	73
1 1/2"	Displacement or Turbine	5.0	1	5
2"	Displacement, Compound or Turbine	8.0	7	56
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>1,820</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:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

<p>ERC Calculation:</p> <p>103,411,000/1,666/365=170</p> <p>269,411/170= 1,585</p> <p>269,411 gpd of average daily system demand</p>
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UTILITY NAME: PLACID LAKE UTILITIES, INC.

YEAR OF REPORT
December 31,2004

SYSTEM NAME / COUNTY : HIGHLANDS

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. _____ 2,349
- ERCs * which can be served. _____ 2,349
3. Present system connection capacity (in ERCs *) using existing lines. _____ 4,661
4. Future connection capacity (in ERCs *) upon service area buildout. _____ 8,454
5. Estimated annual increase in ERCs *. _____ 70
6. Is the utility required to have fire flow capacity? _____ YES
If so, how much capacity is required? _____ 120,000 GPD
7. Attach a description of the fire fighting facilities. 300,000 GALS OF STORAGE AND 34 HYDRANTS
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. _____

9. When did the company last file a capacity analysis report with the DEP? _____
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.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
11. Department of Environmental Protection ID # _____ 5280223
12. Water Management District Consumptive Use Permit # _____ 204980.05
 - 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 OPERATING SECTION

Note: This utility is a water only service; therefore, Pages S-1 through S-13 have been omitted from this report.