

OFFICIAL COPY
DIVISION OF
WATER AND SEWER

CLASS "A" OR "B"

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WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU385-01-AR
Windstream Utilities Company

Submitted To The
STATE OF FLORIDA

APPROVED SERVICE
02 APR 30 11:18
DIVISION OF
WATER AND SEWER
REGULATION



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2001

Cronin, Jackson, Nixon & Wilson

CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
CHRISTINE R. CHRISTIAN, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
HOLLY M. TOWNER, C.P.A.
REBECCA G. VOITLAIN, C.P.A.
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April 23, 2002

Officers and Directors
Windstream Utilities Company

We have compiled the 2001 Annual Report of Windstream Utilities Company in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

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

Cronin, Jackson, Nixon & Wilson

CRONIN, JACKSON, NIXON & WILSON

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

Company: Windstream Utilities Company

For the Year Ended December 31, 2001

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 276,065	\$ 276,065	-
Commercial	12,230	12,230	-
Industrial	-	-	-
Multiple Family	-	-	-
Guaranteed Revenues	-	-	-
Other - Misc. Service	2,679	2,679	-
Total Water Operating Revenue	\$ 290,974	\$ 290,974	-
LESS: Expense for Purchased Water from FPSC-Regulated Utility	\$ -	\$ -	-
Net Water Operating Revenues	\$ 290,974	\$ 290,974	-

Explanations:

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

General Instructions

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which will create a permanent record, such as by typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule of the page with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. Water and wastewater system pages should be grouped together by system and all pages in the water and wastewater sections should be numbered consecutively at the bottom of the page where noted. For example, if the water system pages total 50 pages, they should be grouped by system and numbered from 1 to 50.
11. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
12. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
13. The report should be filled out in quadruplicate and the original and two copies returned by March 31 of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility

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EXECUTIVE

SUMMARY

CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2001

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

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

Items Certified

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



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

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

 N/A
 (signature of the chief financial officer of the utility) *

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

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

ANNUAL REPORT OF

YEAR OF REPORT
December 31, 2001

Windstream Utilities Company
(Exact Name of Utility)

County: Marion

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

P.O. Box 4201
Ocala, Florida 34478-4201

Telephone: (352) 620-8290

e-Mail Address: N/A

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number N/A

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

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

Telephone: (727) 791-4020

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

3002 N W 10th Street
Ocala, Florida

Telephone: (352) 620-8290

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

Cronin, Jackson, Nixon and Wilson, CPA's

Date of original organization of the utility: 03/22/84

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

Individual Partnership Sub S Corporation 1120 Corporation

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

	Name	Percent Ownership	
1.	Sharon Dlouhy	60.0	%
2.	L.E. Dlouhy	40.0	%
3.			%
4.			%
5.			%
6.			%
7.			%
8.			%
9.			%
10.			%

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Robert C. Nixon	CPA	Cronin, Jackson, Nixon & Wilson, CPA's	Accounting & rate matters
F. Marshall Deterding	Attorney	Rose, Sundstrom & Bentley	Legal matters
Sharon Dlouhy	Officer	Windstream Utilities	All matters

(1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
(2) Provide individual telephone numbers if the person is not normally reached at the company.
(3) Name of company employed by if not on general payroll.

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

COMPANY PROFILE

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

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

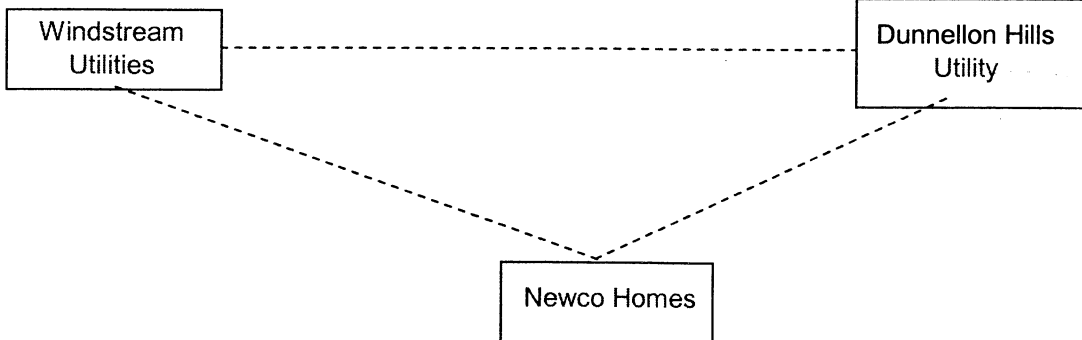
- (A) The Utility was organized March 22, 1984 to provide sewer service to the Winbdstream Development. The Utility has experienced customer growth from other developments since its organization.
- (B) Water service only.
- (C) The Utility's goals are to provide quality water service and earn a fair return on its investment in Plant in Service.
- (D) Water service only.
- (E) The projected growth rate is approximately 40 additional ERC's per year. Service area is approaching build-out.
- (F) None

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/99

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



The Utility has no parents or subsidiaries. The entities above are affiliated only through common ownership by the Utility's stockholder.

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

COMPENSATION OF OFFICERS

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

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Sharon Dlouhy L.E. Dlouhy	President	60 %	\$ 72,000
	Vice President	40 %	\$ 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)
Sharon Dlouhy L.E. Dlouhy	President	1	\$ None
	Vice President	1	\$ None
			\$
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, and 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)
L.E. Dlouhy	Field labor, plants operations Construction contract negotiation and supervision, field repairs and maintenance	\$ 4,250 / mo	Newco Homes 3002 NW 8th Palce Ocala, Florida
Sharon & LE Dlouhy	Office Building	850 / mo	3002 NW 8th Palce Ocala, Florida

* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

AFFILIATION OF OFFICERS AND DIRECTORS

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

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
L.E. Dlouhy	Development	Shareholder	Newco Homes

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

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

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

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

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2001
--

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

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

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
Newco Homes	Field labor, plants operations Construction contract negotiation and supervision, field repairs and maintenance	1984 - Open	P	\$ 51,000
S & LE Dlouhy	Office rent	1984 - Open	p	8,706

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2001
--

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

- | | |
|--|---|
| <p>1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.</p> <p>2. Below are examples of some types of transactions to include:</p> <ul style="list-style-type: none"> - purchase, sale or transfer of equipment. - purchase, sale or transfer of land and structures. - purchase, sale or transfer of securities. - noncash transfers of assets. - noncash dividends other than stock dividends. - writeoff of bad debts or loans. | <p>3. The columnar instructions follow:</p> <ul style="list-style-type: none"> (a) Enter name of related party or company. (b) Describe briefly the type of assets purchased, sold or transferred. (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S". (d) Enter the net book value for each item reported. (e) Enter the net profit or loss for each item (column (c) - column (d)). (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value. |
|--|---|

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

FINANCIAL

SECTION

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 867,632	\$ 690,243
108-110	Less: Accumulated Depreciation and Amortization	F-8	(208,866)	(178,159)
Net Plant			658,766	512,084
114-115	Utility Plant Acquisition Adjustments (Net)	F-7	(8,658)	(11,034)
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			650,108	501,050
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 and Investments				
CURRENT AND ACCRUED ASSETS				
131	Cash		38,141	23,761
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 Uncollectable Accounts	F-11	8,802	89,107
145	Accounts Receivable from Associated Companies	F-12	70,822	68,934
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies			
161	Stores Expense			
162	Prepayments		1,250	1,250
171	Accrued Interest and Dividends Receivable			
172*	Rents Receivable			
173*	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12	1,398	1,398
Total Current and Accrued Assets			120,413	184,450

* Not Applicable for Class B Utilities

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13		
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14		
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits				
TOTAL ASSETS AND OTHER DEBITS			\$ 770,521	\$ 685,500

* 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)	CURRENT YEAR (d)	PREVIOUS 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			
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings (Deficit)	F-16	(52,860)	(75,477)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital (Deficit)			(51,860)	(74,477)
LONG TERM DEBT				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	73,898	134,949
Total Long Term Debt			73,898	134,949
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		29,700	3,092
232	Notes Payable	F-18	14,333	
233	Accounts Payable to Associated Co.	F-18	187,705	149,105
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		9,025	8,990
236	Accrued Taxes	W/S-3	11,363	14,458
237	Accrued Interest	F-19	549	549
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	5,753	5,788
Total Current and Accrued Liabilities			258,428	181,982

* Not Applicable for Class B Utilities

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	F-13		
252	Advances for Construction	F-20	80,000	85,000
253	Other Deferred Credits (Contributed Taxes)	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			80,000	85,000
OPERATING RESERVES				
261	Property Insurance Reserve			
262	Injuries and Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
Total Operating Reserves				
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	519,843	450,789
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(109,788)	(92,743)
Total Net C.I.A.C.			410,055	358,046
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation			
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
Total Accum. Deferred Income Taxes				
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 770,521	\$ 685,500

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 291,144	\$ 290,974
469.530	Less: Guarenteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			291,144	290,974
401	Operating Expenses	F-3(b)	256,621	231,773
403	Depreciation Expense	F-3(b)	21,258	30,707
	Less: Amortization of CIAC	F-22	(15,359)	(17,045)
Net Depreciation Expense			5,899	13,662
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC) (Plant Abandonment)	F-3(b)		
408	Taxes Other Than Income	W/S-3	24,467	24,626
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
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			286,987	270,061
Net Utility Operating Income			4,157	20,913
469/530	Add Back: Guarenteed 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			
Total Utility Operating Income [Enter here and on Page F-3(c)]			4,157	20,913

* For each account, column e should agree with columns f, g + h on F-3(b)

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3* (f)	SEWER SCHEDULE S-3* (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 290,974		N/A
290,974	-	-
231,773		
30,707 (17,045)		
13,662	-	-
24,626		
270,061		
20,913	N/A	
20,913	N/A	N/A

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

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR (e)
Total Utility Operating Income [from Page F-3(a)]			\$ 4,157	\$ 20,913
OTHER INCOME AND DEDUCTIONS				
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income		790	853
421	Miscellaneous Nonutility Revenue		1,725	1,457
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			2,515	2,310
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	296	606
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			296	606
EXTRAORDINARY ITEMS				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
NET INCOME			6,376	22,617

Explain Extraordinary Income:

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	\$ 867,376	N/A
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	208,866	
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	519,843	
252	Advances for Construction	F-20	80,000	
Subtotal			58,667	
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	109,788	
Subtotal			168,455	
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		28,972	
	Other (Specify):			
	Non-used and useful Advances for Construction		80,000	
RATE BASE			\$ 277,427	\$ -
NET UTILITY OPERATING INCOME			\$ 20,913	\$ -
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			7.54 %	-- %

NOTES:

- (1) Estimated if not known.
 - (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 Method.

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (2) (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ _____ -	_____ %	_____ - %	_____ %
Preferred Stock	_____	_____ %	_____ - %	_____ %
Long Term Debt	_____ 104,424	_____ 86.59 %	_____ 9.00 %	_____ 7.7931 %
Customer Deposits	_____ 9,008	_____ 7.47 %	_____ 6.00 %	_____ 0.4482 %
Tax Credits - Zero Cost	_____	_____ %	_____ - %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ - %	_____ %
Deferred Income Taxes	_____	_____ %	_____ - %	_____ %
Other (Explain)	_____	_____ %	_____ - %	_____ %
Notes payable	_____ 7,167	_____ 5.94 %	_____ 9.570 %	_____ 0.5685 %
Total	\$ _____ 120,598	_____ 100.00 %		_____ 8.81 %

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

(2) 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: (1)	_____ 11.34 %
Commission order approving Return on Equity: (1)	_____ Leverage formula

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING THE YEAR

Current Commission approved AFUDC rate:	_____ None %
Commission order approving AFUDC rate:	_____

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.

Note (1): No written documentation available from the Commission related to the "Return on Common Equity" The Company's attorney did an extensive search for such information with no positive results. Currently the Company has no common equity based on the above "Cost of Capital" information.

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts Utility Plant In Service	\$ 867,376		N/A	\$ 867,376
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	256			256
106	Completed Construction Not Classified				
Total Utility Plant		\$ 867,632		N/A	\$ 867,632

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

Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.					
ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment Sun Country Estates	\$ (16,629)	N/A	N/A	\$ (16,629)
Total Plant Acquisition Adjustment		\$ (16,629)	\$ -	\$ -	\$ (16,629)
115	Accumulated Amortization Sun Country Estates	\$ 7,971	\$ -	\$ -	\$ 7,971
Total Accumulated Amortization		\$ 7,971	\$ -	\$ -	\$ 7,971
Total Acquisition Adjustments		\$ (8,658)	\$ -	\$ -	\$ (8,658)

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	\$ 178,159		N/A	\$ 178,159
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	30,707			30,707
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				

Salvage				
Other Credits (specify) :				

Total credits	30,707			30,707
Debits during year:				
Book cost of plant retired	-	-		
Cost of removal				
Other debits (specify)				

Total debits				
Balance end of year	\$ 208,866	N/A	N/A	\$ 208,866

ACCUMULATED AMORTIZATION Account 110				
Balance first of year	N/A	N/A	N/A	N/A
Credits 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	N/A	N/A	N/A	N/A

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

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
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**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCTS. 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (c)	AMOUNT (d)
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): None	\$ -
Total Special Deposits	\$ -
OTHER SPECIAL DEPOSITS (Account 133): None	\$ -
Total Other Special Deposits	\$ -

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

**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 (ACCT. 123): N/A	\$ _____ -	\$ _____ -
Total Investment In Associated Companies		\$ _____ -
UTILITY INVESTMENTS (ACCT. 124): N/A	\$ _____ -	\$ _____ -
Total Utility Investments		\$ _____ -
OTHER INVESTMENTS (ACCT. 125): N/A	\$ _____ -	\$ _____ -
Total Other Investments		\$ _____ -
SPECIAL FUNDS (ACCTS. 126 & 127) N/A	\$ _____ -	\$ _____ -
Total Special Funds		\$ _____ -

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

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 Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Combined Water & Wastewater	\$ 8,802	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 8,802
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
_____	\$ -	

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

Total Notes Receivable		
Total Accounts and Notes Receivable		8,802
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):		
Balance First of Year	\$ -	
Add: Provision for uncollectables for current year		
Collections of accounts previously written off		
Utility accounts		
Others		

Total Additions		
Deduct accounts written off during year:		
Utility accounts		
Others		

Total accounts written off		
Balance end of year		
Total Accounts and Notes Receivable - Net		\$ 8,802

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2001

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Newco Homes	\$ 70,822
Total	\$ 70,822

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)	TOTAL (c)
Surety bond	\$ 1,048
Utility deposit	350
Total	\$ 1,398

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
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): N/A	\$ -	\$ -
Total Unamortized Debt Discount and Expense		
UNAMORTIZED PREMIUM ON DEBT (Account 251): N/A	\$ -	\$ -
Total Unamortized Premium on Debt	\$ -	\$ -

EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182): N/A	\$ -
Total Extraordinary Property Losses	\$ -

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

**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): None	\$ -	\$ -
Total Deferred Rate Case Expense	\$ -	\$ -
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): None	\$ -	\$ -
Total Other Deferred Debits	NONE	NONE
REGULATORY ASSETS (Class A Utilities: Account 186.3): None	\$ -	\$ -
Total Regulatory Assets	\$ -	\$ -
TOTAL MISCELLANEOUS DEFERRED DEBITS	<u>NONE</u>	<u>NONE</u>

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (d)
COMMON STOCK		
Par or stated value per share	\$ 1.00	\$ 1.00
Shares authorized		1,000
Shares issued and outstanding		1,000
Total par value of stock issued	\$ 1,000	\$ 1,000
Dividends declared per share for year	None	None
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	None	None

* 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)	
N/A	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ -

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

STATEMENT OF RETAINED EARNINGS

- Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
- 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 (Deficit)	\$ (75,477)
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	22,617
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	
	Year end Balance	<u>(52,860)</u>
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	
	Total Retained Earnings (Deficit)	\$ <u>(52,860)</u>

Notes to Statement of Retained Earnings:

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

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

**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)	
Majestic Oaks Systems; 3/21/89 - Open	9.00 %	f	\$ 25,535
Pidgeon Park Systems 1/23/91 - Open	None %	f	26,113
Sun Country Systems; 11/15/93 - Open	9.00 %	f	22,250
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ 73,898

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

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2001
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NOTES PAYABLE (ACCTS. 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):			
SouthTrust Bank: Truck Loan 10/04/99 - 10/18/02	9.250 %	f	\$ 8,230
Ring Power Corp: Generator 8/3/01 - 8/3/02	10.000 %	f	6,103
_____	%		
_____	%		
_____	%		
_____	%		
_____	%		
_____	%		
Total Account 232			\$ 14,333
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			
N/A	%		\$ -
_____	%		
_____	%		
_____	%		
_____	%		
_____	%		
_____	%		
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)
Newco Homes	\$ 187,705

Total	\$ 187,705

**ACCRUED INTEREST AND EXPENSE
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt					
Truck Loan	\$ 253	427.1	\$ 253	\$ 253	\$ 253
Generator Loan	-	427.2	353	353	
Total Account No. 237.1	<u>253</u>		<u>606</u>	<u>606</u>	<u>253</u>
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Customer deposits	296				296
Total Account 237.2	<u>296</u>				<u>296</u>
Total Account 237 (1)	<u>\$ 549</u>		<u>\$ 606</u>	<u>\$ 606</u>	<u>\$ 549</u>
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 606		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			<u>\$ 606</u>		

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2001

**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)		
N/A		\$ -
Total Regulatory Liabilities	\$ -	\$ -
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2)		
N/A		\$ -
Total Deferred Liabilities	\$ -	\$ -
TOTAL OTHER DEFERRED CREDITS	\$ -	\$ -

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 450,789	N/A	N/A	\$ 450,789
Add credits during year:	69,054	-		69,054
Less debits charged during	-	-		-
Total Contributions In Aid of Construction	\$ 519,843	\$ -	\$ -	\$ 519,843

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 92,743		N/A	\$ 92,743
Debits during year:	17,045			17,045
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 109,788			\$ 109,788

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

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

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

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year	F-3 (c)	\$ 22,617
Reconciling items for the year:		
Taxable income not reported on the books:		
Meter Fees		7,395

Deductions recorded on books not deducted for return:		
Meals and entertainment		1,047

Income recorded on books not included in return:		
_____		-

Deduction on return not charged against book income:		
Tax depreciation difference		

Federal tax net income		\$ 31,059
Computation of tax:		
A tax return has not yet been prepared. With the changes due to IRS Code Section 118C, It is uncertain at this time what the tax provision should be		

**WATER
OPERATION
SECTION**

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
December 31, 2001

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 867,376
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	208,866
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	519,843
252	Advances for Construction	F-20	80,000
	Subtotal		58,667
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	109,788
	Subtotal		168,455
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		28,972
	Other (Specify):		
	Non-used and useful Advances for Construction		80,000
	WATER RATE BASE		\$ 277,427
	UTILITY OPERATING INCOME	W-3	\$ 20,913
ACHIEVED RATE OF RETURN (Water Operating Income/Water Rate Base)			7.54 %

- NOTES: (1) Class A calculate consistent with last rate proceeding. Class B estimated if not known.
 (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.

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	W-9	\$ 290,974
469	Less: Guarenteed Revenue and AFPI	W-9	
	Net Operating Revenues		<u>290,974</u>
401	Operating Expenses	W-10(a)	231,773
403	Depreciation Expense	W-6(a)	30,707
	Less: Amortization of CIAC	W-8(a)	(17,045)
	Net Depreciation Expense		13,662
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		13,094
408.11	Property Taxes		2,007
408.12	Payroll Taxes		6,916
408.13	Other Taxes & Licenses		2,609
408	Total Taxes Other Than Income		24,626
409.1	Income Taxes	F-16	
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		<u>270,061</u>
	Utility Operating Income		<u>20,913</u>
469	Add Back: Guarenteed 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		
	Total Utility Operating Income		<u>\$ 20,913</u>

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
 December 31, 2001

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	48,085			48,085
304	Structure and Improvements	22,875			22,875
305	Collecting and Impounding Reservoirs	28,731			28,731
306	Lake, River and Other Intakes				
307	Wells and Springs	44,423	83,054		127,477
308	Infiltration Galleries and Tunnels				
309	Supply Mains		8,017		8,017
310	Power Generation Equipment		12,462		12,462
311	Pumping Equipment	46,540			46,540
320	Water Treatment Equipment	5,435	65,462		70,897
330	Distribution Reservoirs and Standpipes	3,411	34,589		38,000
331	Transmission and Distribution Mains	299,611	70,962		370,573
333	Services	10,576	(3)		10,573
334	Meters and Meter Installations	23,412	7,133		30,545
335	Hydrants	10,000	405		10,405
339	Other Plant / Miscellaneous Equipment		99		99
340	Office Furniture and Equipment	15,591			15,591
341	Transportation Equipment	19,843	451		20,294
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	254	99		353
344	Laboratory Equipment				
345	Power Operated Equipment	926			926
346	Communication Equipment	2,901			2,901
347	Miscellaneous Equipment	1,032			1,032
348	Other Tangible Plant	1,000			1,000
	TOTAL WATER PLANT	\$ 584,646	\$ 282,730		\$ 867,376

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

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream

YEAR OF REPORT
 December 31, 2001

WATER UTILITY PLANT MATRIX

ACCT. NO. (a)	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	48,085			48,085		
304	Structure and Improvements	22,875			22,875		
305	Collecting and Impounding Reservoirs	28,731		28,731			
306	Lake, River and Other Intakes						
307	Wells and Springs	127,477		127,477			
308	Infiltration Galleries and Tunnels						
309	Supply Mains	8,017		8,017			
310	Power Generation Equipment	12,462		12,462			
311	Pumping Equipment	46,540		46,540			
320	Water Treatment Equipment	70,897			70,897		
330	Distribution Reservoirs and Standpipes	38,000				38,000	
331	Transmission and Distribution Mains	370,573				370,573	
333	Services	10,573				10,573	
334	Meters and Meter Installations	30,545				30,545	
335	Hydrants	10,405				10,405	
339	Other Plant / Miscellaneous Equipment	99				99	
340	Office Furniture and Equipment	15,591					15,591
341	Transportation Equipment	20,294					20,294
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	353					353
344	Laboratory Equipment						
345	Power Operated Equipment	926					926
346	Communication Equipment	2,901					2,901
347	Miscellaneous Equipment	1,032					1,032
348	Other Tangible Plant	1,000					1,000
	TOTAL WATER PLANT	\$ 867,376	\$	\$ 223,227	\$ 141,857	\$ 460,195	\$ 42,097

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
December 31, 2001

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)
301	Organization		%	%
302	Franchises		%	%
304	Structure and Improvements	28	%	3.57 %
305	Collecting and Impounding Reservoirs	28	%	3.57 %
306	Lake, River and Other Intakes		%	%
307	Wells and Springs	27	%	3.70 %
308	Infiltration Galleries and Tunnels		%	%
309	Supply Mains	35	%	2.86 %
310	Power Generation Equipment	20	%	5.00 %
311	Pumping Equipment	17	%	5.88 %
320	Water Treatment Equipment	7	%	14.29 %
330	Distribution Reservoirs and Standpipes	33	%	3.03 %
331	Transmission and Distribution Mains	38	%	2.63 %
333	Services	35	%	2.86 %
334	Meters and Meter Installations	17	%	5.88 %
335	Hydrants	45	%	2.22 %
339	Other Plant / Miscellaneous Equipment	25	%	4.00 %
340	Office Furniture and Equipment	15	%	6.67 %
341	Transportation Equipment	6	%	16.67 %
342	Stores Equipment		%	%
343	Tools, Shop and Garage Equipment	15	%	6.67 %
344	Laboratory Equipment		%	%
345	Power Operated Equipment	12	%	8.33 %
346	Communication Equipment	10	%	10.00 %
347	Miscellaneous Equipment	10	%	10.00 %
348	Other Tangible Plant	10	%	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: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
 December 31, 2001

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization	\$ -	\$ -	\$ -	\$ -
302	Franchises				
304	Structure and Improvements	11,693	816		816
305	Collecting and Impounding Reservoirs	11,543	1,025		1,025
306	Lake, River and Other Intakes				
307	Wells and Springs	17,847	3,181		3,181
308	Infiltration Galleries and Tunnels				
309	Supply Mains		114		114
310	Power Generation Equipment		312		312
311	Pumping Equipment	29,231	2,737		2,737
320	Water Treatment Equipment	5,302	4,810		4,810
330	Distribution Reservoirs and Standpipes	1,589	630		630
331	Transmission and Distribution	80,356	8,812		8,812
333	Services	3,400	302		302
334	Meters and Meter Installations	6,668	1,586		1,586
335	Hydrants	111	227		227
339	Other Plant / Miscellaneous Equipment		2		2
340	Office Furniture and Equipment	5,347	2,217		2,217
341	Transportation Equipment	3,515	3,344		3,344
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	88	21		21
344	Laboratory Equipment				
345	Power Operated Equipment	193	77		77
346	Communication Equipment	941	291		291
347	Miscellaneous Equipment	52	103		103
348	Other Tangible Plant	283	100		100
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 178,159	\$ 30,707	\$ -	\$ 30,707

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

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
 December 31, 2001

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

ACCT. NO. (a)	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) (k)
301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -
302	Franchises					
304	Structure and Improvements					12,509
305	Collecting and Impounding Reservoirs					12,568
306	Lake, River and Other Intakes					
307	Wells and Springs					21,028
308	Infiltration Galleries and Tunnels					
309	Supply Mains					114
310	Power Generation Equipment					312
311	Pumping Equipment					31,968
320	Water Treatment Equipment					10,112
330	Distribution Reservoirs and Standpipes					2,219
331	Transmission and Distribution					89,168
333	Services					3,702
334	Meters and Meter Installations					8,254
335	Hydrants					338
339	Other Plant / Miscellaneous Equipment					2
340	Office Furniture and Equipment					7,564
341	Transportation Equipment					6,859
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					109
344	Laboratory Equipment					
345	Power Operated Equipment					270
346	Communication Equipment					1,232
347	Miscellaneous Equipment					155
348	Other Tangible Plant					383
TOTAL WATER ACCUMULATED DEPRECIATION		\$ -	\$ -	\$ -	\$ -	\$ 208,866

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/COUNTY

YEAR OF REPORT
 December 31, 2001

**CONTRIBUTIONS IN AID OF CONSTRUCTION
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance First of Year		\$ 450,789
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	W-8(a)	39,160
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	29,894
Total Credits		69,054
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 519,843

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:

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT December 31, 2001
--

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)
Capacity fees	22	\$ 250	\$ 5,500
Capacity fees - Sun Country	51	515	26,265
Meter fees	69	100	6,900
Meter fees	3	165	495
Total Credits			\$ 39,160

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

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 92,743
Debits during year:	
Accruals charged to Account	17,045
Other Debits (specify):	
Total debits	17,045
Credits during year (specify):	
Total credits	
Balance end of year	\$ 109,788

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
December 31, 2001

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
460	Water Sales: Unmetered Water Revenue			
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	688	773	\$ 276,065
461.2	Metered Sales to Commercial Customers	12	12	12,230
461.3	Metered Sales to Industrial Customers			
461.4	Metered Sales to Public Authorities			
461.5	Metered Sales to Multiple Family Dwellings			
	Total Metered Sales	700	785	288,295
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	700	785	288,295
469	Other Water Revenues: Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			2,679
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 2,679
	Total Water Operating Revenues			\$ 290,974

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

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	\$ 17,268	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	70,282		
604	Employee Pensions and Benefits			
610	Purchased Water			
615	Purchased Power	19,841		
616	Fuel for Power Purchased			
618	Chemicals	2,162		
620	Materials and Supplies	7,791		
631	Contractual Services - Engineering			
632	Contractual Services - Accounting	5,681		
633	Contractual Services - Legal	2,877		
634	Contractual Services - Mgt. Fees	51,000		
635	Contractual Services - Testing	9,049		196
636	Contractual Services - Other	6,179		161
641	Rental of Building/Real Property	8,706		
642	Rental of Equipment	4,017		
650	Transportation Expense	5,092		
656	Insurance - Vehicle	2,286		
657	Insurance - General Liability	2,347		
658	Insurance - Workmens Comp.			
659	Insurance - Other	4,561		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
670	Bad Debt Expense			
675	Miscellaneous Expenses	12,634		
Total Water Utility Expenses		\$ 231,773		\$ 357

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)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,268
					70,282
19,841					
2,162					
	82	100	1,612	29	5,968
					5,681
					2,877
		51,000			
4,395			1,774		2,684
2,500			137		3,381
					8,706
					4,017
			91		5,001
					2,286
					2,347
					4,561
			29		12,605
\$ 28,898	\$ 82	\$ 51,100	\$ 3,643	\$ 29	\$ 147,664

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
 December 31, 2001

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		8,114		8,114	7,807
February		8,921		8,921	9,358
March		9,811		9,811	8,861
April		14,269		14,269	13,306
May		19,021		19,021	18,773
June		14,376		14,376	13,865
July		11,618		11,618	10,775
August		13,756		13,756	12,787
September		11,278		11,278	11,459
October		15,690		15,690	13,353
November		15,171		15,171	13,564
December		14,004		14,004	12,349
Total for year	N/A	156,029	N/A	156,029	146,257

If water is purchased for resale, indicate the following:

Vendor N/A
 Point of deliver N/A

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

N/A

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Windstream & Carriage Hills	.010 mgd	.010 mgd	Aquifer
Windstream & Carriage Hills	.057 mgd	.057 mgd	Aquifer
Majestic Oaks	.500 mgd	.500 mgd	Aquifer
Majestic Oaks	.690 mgd	.690 mgd	Aquifer
Sun Country Estate/Paddock Downs	.154 mgd	.154 mgd	Aquifer

UTILITY NAME: Windstream Utilities Company
SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
December 31, 2001

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

Permitted Capacity of Plant (GPD):	<u>144,000 gpd</u>	(Windstream)
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>	
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc):	<u>Chlorination</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):	<u>N/A</u>	Manufacturer <u>N/A</u>
Gravity (in GPM/square feet):	<u>N/A</u>	Manufacturer <u>N/A</u>

UTILITY NAME: Windstream Utilities Company
SYSTEM NAME / COUNTY: Windstream/Marion

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

Permitted Capacity of Plant (GPD):	<u>144,000 gpd</u>	(Windstream)
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>	
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc):	<u>Chlorination</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):	<u>N/A</u>	Manufacturer <u>N/A</u>
Gravity (in GPM/square feet):	<u>N/A</u>	Manufacturer <u>N/A</u>

UTILITY NAME: Windstream Utilities Company
SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
December 31, 2001

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

Permitted Capacity of Plant (GPD):	<u>384,000 gpd</u>	(Majestic Oaks)
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>	
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc):	<u>Chlorination</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):	<u>N/A</u>	Manufacturer <u>N/A</u>
Gravity (in GPM/square feet):	<u>N/A</u>	Manufacturer <u>N/A</u>

UTILITY NAME: Windstream Utilities Company
SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
December 31, 2001

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

Permitted Capacity of Plant (GPD):	<u>100,000 gpd</u>	(Sun Country/PaddockDowns)
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>Wellhead</u>	
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc):	<u>Chlorination</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):	<u>N/A</u>	Manufacturer <u>N/A</u>
Gravity (in GPM/square feet):	<u>N/A</u>	Manufacturer <u>N/A</u>

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
December 31, 2001

CALCULATON OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	773	773
5/8"	Displacement	1.0		
3/4"	Displacement	1.5	1	2
1"	Displacement	2.5	5	13
1 1/2"	Displacement or Turbine	5.0	3	15
2"	Displacement, Compound or Turbine	8.0	3	24
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				827

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:
ERC = 146,257 gallons, divided by
350 gallons per day
<u>365</u> days
<u>1,144.9</u> ERC's

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream/Marion

YEAR OF REPORT
December 31, 2001

OTHER WATER SYSTEM INFORMATION

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

1. Present ERC's * that system can efficiently serve.	<u>1,144</u>
2. Maximum number of ERC's * which can be served.	<u>1,144</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>1,144</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>850</u>
5. Estimated annual increase in ERC's * .	<u>40</u>
6. Is the utility required to have fire flow capacity? If so, how much capacity is required?	<u>Yes - Marion County</u> <u>Minimum Marion County requirement: 500gpm x 2hrs</u>
7. Attach a description of the fire fighting facilities.	<u>High capacity pumping; Hydrants in some subdivisions</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>Feasibility study of tying in Sun Country system to Majestic Oaks is being explored with addition of new well; elevated storage tank and replacement of lines in Sun Country</u>
9. When did the company last file a capacity analysis report with the DEP?	<u>None</u>
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.	<u>N/A</u>
b. Have these plans been approved by DEP?	<u>N/A</u>
c. When will construction begin	<u>N/A</u>
d. Attach plans for funding the required upgrading.	
e. Is this system under any Consent Order othe DEP?	<u>No</u>
11. Department of Environmental Protection ID #	<u>Windstream: 2-083-0045N; Majestic Oaks: 209360.01; Sun Country: 206619</u>
12. Water Management District Consumptive Use Permit #	<u>Windstream:3424645; Majestic Oaks:6424678; Sun Country:6424618</u>
a. Is the system in compliance with the requirements of the CUP?	<u>Yes</u>
b. If not, what are the utility's plans to gain compliance?	<u>N/A</u>

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

WASTEWATER OPERATION SECTION

Note: Windstream provides water service only, therefore, this section is omitted from this report