

OFFICIAL COPY
Public Service Commission
Do Not Remove from this Office

CLASS "A" OR "B"

WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU385-04-AR

Windstream Utilities Company

Exact Legal Name of Respondent

427-W

Certificate Numbers

Submitted To The

STATE OF FLORIDA



05 APR 21 PM 9:17
EDUCATION/REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2004

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

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
PAUL E. DECHARIO, 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. VOITTEIN, C.P.A.
JAMES L. WILSON, C.P.A.

2560 GULF-TO-BAY BOULEVARD
SUITE 200
CLEARWATER, FLORIDA 33765-4419
(727) 791-4020
FACSIMILE
(727) 797-3602
e-Mail
cpas@cjnw.net

April 11, 2005

Officers and Directors
Windstream Utilities Company

We have compiled the 2004 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

TABLE OF CONTENTS

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

TABLE OF CONTENTS

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

EXECUTIVE

SUMMARY

CERTIFICATION OF ANNUAL REPORT

YEAR OF REPORT December 31, 2004

UTILITY NAME: Windstream Utilities Company

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

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

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, 2004

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, 2004

**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

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.**

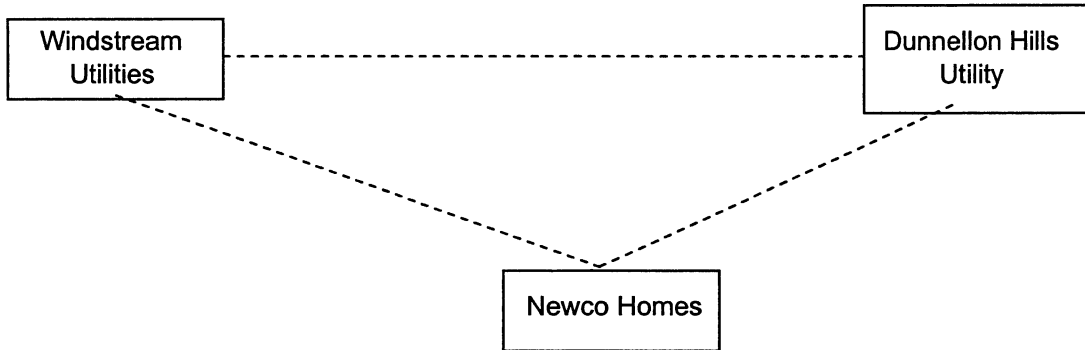
- (A) The Utility was organized March 22, 1984 to provide water service to the Windstream Development. The Utility has experienced customer growth from other developments since its organization.
- (B) Water service only.
- (C) The Utility's goals are to provide quality water service and earn a fair return on its investment in Plant in Service.
- (D) Water service only.
- (E) The projected growth rate is approximately 100 additional ERC's per year over the next 3 years. Thereafter, the present service area will be approaching buildout.
- (F) None

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2004

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/04

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 stockholders.

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2004
--

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	90 %	\$ 83,000
	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 an 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, 2004
--

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, maintenance, accounting	\$ 87,000	Newco Homes 3002 NW 10th Street Ocala, Florida
Sharon & LE Dlouhy	Office Building	11,310	3002 NW 10th Street 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, 2004
--

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	Officer	Newco Homes
Sharon Dlouhy	Mangement	Officer	Newco Homes

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2004
--

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, 2004
--

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:
 - management, legal and accounting services
 - computer services
 - engineering & construction services
 - repairing and servicing of equipment
 - 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	\$ 87,000
S & LE Dlouhy	Office rent	1984 - Open	p	11,310

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2004
--

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.

2. Below are examples of some types of transactions to include:

- purchase, sale or transfer of equipment.
- purchase, sale or transfer of land and structures.
- purchase, sale or transfer of securities.
- noncash transfers of assets.
- noncash dividends other than stock dividends.
- writeoff of bad debts or loans.

3. The columnar instructions follow:

- (a) Enter name of related party or company.
- (b) Describe briefly the type of assets purchased, sold or transferred.
- (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
- (d) Enter the net book value for each item reported.
- (e) Enter the net profit or loss for each item (column (c) - column (d)).
- (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

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

FINANCIAL

SECTION

UTILITY NAME: Windstream Utilities Company

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	\$ 1,890,378	\$ 1,853,410
108-110	Less: Accumulated Depreciation and Amortization	F-8	(340,668)	(277,720)
Net Plant			1,549,710	1,575,690
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			1,549,710	1,575,690
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		113,164	97,124
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	20,921	12,126
145	Accounts Receivable from Associated Companies	F-12	151,360	100,045
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			288,093	211,943

* 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	\$ 5,756	\$ 7,675
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		5,756	7,675
	TOTAL ASSETS AND OTHER DEBITS		\$ 1,843,559	\$ 1,795,308

* 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	(26,264)	(17,160)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital (Deficit)			(25,264)	(16,160)
LONG TERM DEBT				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	534,838	563,188
Total Long Term Debt			534,838	563,188
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		57,251	29,670
232	Notes Payable	F-18	452	2,411
233	Accounts Payable to Associated Co.	F-18	236,712	243,962
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		16,160	12,490
236	Accrued Taxes		26,717	8,654
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	5,982	5,856
Total Current and Accrued Liabilities			343,274	303,043

* 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	49,016	87,671
253	Other Deferred Credits	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			49,016	87,671
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	1,140,068	1,017,156
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(198,373)	(159,590)
Total Net C.I.A.C.			941,695	857,566
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			\$ 1,843,559	\$ 1,795,308

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)	\$ 379,315	\$ 460,534
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			379,315	460,534
401	Operating Expenses	F-3(b)	297,334	350,958
403	Depreciation Expense	F-3(b)	57,776	75,834
	Less: Amortization of CIAC	F-22	(26,554)	(38,783)
Net Depreciation Expense			31,222	37,051
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	33,091	34,177
409	Current Income Taxes	W/S-3	(3,022)	14,569
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			358,625	436,755
Net Utility Operating Income			20,690	23,779
469/530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (Losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			20,690	23,779

* 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)
\$ 460,534 N/A		N/A
460,534	-	-
350,958		
75,834 (38,783)		
37,051	-	-
34,177 14,569		
436,755		
23,779	N/A	
-		
23,779		N/A

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

UTILITY NAME: Windstream Utilities Company

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)]			\$ 20,690	\$ 23,779
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		217	223
421	Miscellaneous Nonutility Revenue		6,356	9,062
426	Miscellaneous Nonutility Expenses		(3,708)	(8,900)
Total Other Income and Deductions			2,865	385
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	21,291	31,349
428	Amortization of Debt Discount & Expense	F-13	1,919	1,919
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			23,210	33,268
EXTRAORDINARY ITEMS				
433	Extraordinary Income			
434	Extraordinary Deductions		6,282	
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items			6,282	
NET INCOME			6,627	(9,104)

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	\$ 1,908,378	N/A
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	(340,668)	
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	(1,140,068)	
252	Advances for Construction	F-20	(49,016)	
Subtotal			378,626	
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	198,373	
Subtotal			576,999	
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		43,870	
	Other (Specify):			
	Non used & useful advances		49,016	-

RATE BASE			\$ 669,885	\$ -
NET UTILITY OPERATING INCOME			\$ 23,779	\$ -
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			3.55 %	-- %

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 (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	\$ -	_____ %	11.40 %	_____ %
Preferred Stock	_____	_____ %	- %	_____ %
Long Term Debt	535,290	97.07 %	6.16 %	5.9795 %
Customer Deposits	16,160	2.93 %	6.00 %	0.1758 %
Tax Credits - Zero Cost	_____	_____ %	- %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	- %	_____ %
Deferred Income Taxes	_____	_____ %	- %	_____ %
Other (Explain)	_____	_____ %	- %	_____ %
Total	\$ 551,450	100.00 %		6.16 %

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

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

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

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

APPROVED RETURN ON EQUITY

Current Commission Return on Equity:	<u>11.40</u> %
Commission order approving Return on Equity:	<u>Leverage formula</u>

APPROVED AFUDC RATE
COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING THE YEAR

Current Commission approved AFUDC rate:	<u>None</u> %
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.

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2004

**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	\$ 1,908,378		N/A	\$ 1,908,378
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	(18,000)			(18,000)
106	Completed Construction Not Classified				
Total Utility Plant		\$ 1,890,378		N/A	\$ 1,890,378

**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		N/A	N/A	N/A	N/A
					-
					-
					-
					-
					-
					-
Total Plant Acquisition Adjustment		\$ -	\$ -	\$ -	\$ -
115	Accumulated Amortization			\$ -	\$ -
					-
					-
					-
					-
					-
					-
Total Accumulated Amortization		\$ -	\$ -	\$ -	\$ -
Total Acquisition Adjustments		\$ -	\$ -	\$ -	\$ -

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	\$ 277,720		N/A	\$ 277,720
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	75,834			75,834
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				

Salvage	2,000			2,000
Other Credits (specify) :				

Total credits	77,834			77,834
Debits during year:				
Book cost of plant retired	(14,886)	-		(14,886)
Cost of removal				
Other debits (specify)				

Total debits	(14,886)			(14,886)
Balance end of year	\$ 340,668	N/A	N/A	\$ 340,668

ACCUMULATED AMORTIZATION Account 110				
Balance first of year N/A	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 December 31, 2004
--

**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, 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): N/A	\$ _____ -	\$ _____ -
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
Total Investment In Associated Companies		\$ _____ -
UTILITY INVESTMENTS (Account 124): N/A	\$ _____ -	\$ _____ -
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
Total Utility Investments		\$ _____ -
OTHER INVESTMENTS (Account 125): N/A	\$ _____ -	\$ _____ -
	_____	_____
	_____	_____
	_____	_____
	_____	_____
	_____	_____
Total Other Investments		\$ _____ -
SPECIAL FUNDS (Class A Utilities: Accounts 126 & 127; Class B Utilities: Account 127)) N/A		\$ _____ -

Total Special Funds		\$ _____ -

UTILITY NAME: Windstream Utilities Company

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	\$ 20,921	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 20,921
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
CIAC Receivable	\$ -	
Dlouhy Family LTD Partnership		
Jasmine wastewater receivable		
Total Other Accounts Receivable		
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		20,921
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		\$ 20,921

UTILITY NAME: Windstream Utilities Company

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Newco Homes	\$ 26,755
Dunellon Hills (Citrus County regulated system)	622
Stockholders	123,984
Total	\$ 151,361

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, 2004

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):		
Regions Bank _____	\$ 1,919	\$ 5,756
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ 1,919	\$ 5,756
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

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	NONE	NONE

**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
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)

UTILITY NAME: Windstream Utilities Company

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 (Deficit)	\$ (17,160)
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	(9,104)
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	(26,264)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
	_____	_____
	_____	_____
214	Total Appropriated Retained Earnings	
	Total Retained Earnings (Deficit)	\$ (26,264)

Notes to Statement of Retained Earnings:

UTILITY NAME: Windstream Utilities Company

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):			
G E Capital	5.380 %	F	\$ 452
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
Total Account 232			\$ <u>452</u>
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	\$ 236,712
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ <u>236,712</u>

**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					
Regions Bank		427.1	\$ 30,922	\$ 30,922	\$ -
	-				
GE Capital			145	145	
Total Account No. 237.1	-		31,067	31,067	-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Customer Deposits		427.5	282	282	-
Total Account 237.2	-		282	282	
Total Account 237 (1)	\$ -		\$ 31,349	\$ 31,349	\$ -
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 31,349		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 31,349		

(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: Windstream Utilities Company

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

UTILITY NAME: Windstream Utilities Company

**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	\$ 1,017,156	N/A	N/A	\$ 1,017,156
Add credits during year:	122,912			122,912
Less debits charged during				-
Total Contributions In Aid of Construction	\$ 1,140,068	\$ -	\$ -	\$ 1,140,068

**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	\$ 159,590	N/A	N/A	\$ 159,590
Debits during year:	38,783			38,783
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 198,373			\$ 198,373

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2004

**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 (loss)	F-3(c)	\$ (9,104)
Reconciling items for the year:		
Taxable income not reported on the books:		
Meter fees	W-7	29,906
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		
Federal Income Taxes		12,506
Miscellaneous non-utility	F-3c	1,535
State income taxes		2,063
_____	_____	_____
Income recorded on books not included in return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
Depreciation	F-3a	3,906
_____	_____	_____
_____	_____	_____
Federal tax net income		\$ 33,000
Computation of tax:		
Taxable Income	\$ 33,000	
Tax Rate	15.00%	
Net Tax	\$ 4,950	

**WATER
OPERATION
SECTION**

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

YEAR OF REPORT
December 31, 2004

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)	\$ 1,908,378
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	(340,668)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	(1,140,068)
252	Advances for Construction	F-20	(49,016)
	Subtotal		<u>378,626</u>
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	198,373
	Subtotal		<u>576,999</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		43,870
	Other (Specify): Non-used & useful advances		49,016
	WATER RATE BASE		<u>\$ 669,885</u>
	UTILITY OPERATING INCOME	W-3	<u>\$ 23,779</u>
	ACHIEVED RATE OF RETURN (Water Operating Income/Water Rate Base)		<u>3.55 %</u>

- 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	460,534
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		460,534
401	Operating Expenses	W-10(a)	350,958
403	Depreciation Expense	W-6(a)	75,834
	Less: Amortization of CIAC	W-8(a)	(38,783)
	Net Depreciation Expense		37,051
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		20,724
408.11	Property Taxes		1,527
408.12	Payroll Taxes		8,209
408.13	Other Taxes & Licenses		3,717
408	Total Taxes Other Than Income		34,177
409.1	Income Taxes	F-16	14,569
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		436,755
	Utility Operating Income		23,779
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	-
413	Income From Utility Plant Leased to Others		
414	Gains (Losses) From Disposition of Utility Property		-
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ 23,779

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	36,997			36,997
305	Collecting and Impounding Reservoirs	28,731			28,731
306	Lake, River and Other Intakes				
307	Wells and Springs	179,787			179,787
308	Infiltration Galleries and Tunnels				
309	Supply Mains	15,971			15,971
310	Power Generation Equipment	12,462	18,444		30,906
311	Pumping Equipment	67,555	5,525		73,080
320	Water Treatment Equipment	71,436	59,336		130,772
330	Distribution Reservoirs and Standpipes	430,487			430,487
331	Transmission and Distribution Mains	615,537	20,262		635,799
333	Services	57,164	2,450		59,614
334	Meters and Meter Installations	120,109	26,102		146,211
335	Hydrants	48,459	950		49,409
336	Backflow Prevention Devices	2,050			2,050
339	Other Plant / Miscellaneous Equipment	162			162
340	Office Furniture and Equipment	21,606	428		22,034
341	Transportation Equipment	20,619	3,336	14,886	9,069
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	409			409
344	Laboratory Equipment				
345	Power Operated Equipment	926			926
346	Communication Equipment	5,021			5,021
347	Miscellaneous Equipment	1,043	815		1,858
348	Other Tangible Plant	1,000			1,000
	TOTAL WATER PLANT	\$ 1,785,616	\$ 137,648	\$ 14,886	\$ 1,908,378

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

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

YEAR OF REPORT
 December 31, 2004

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	36,997			36,997		
305	Collecting and Impounding Reservoirs	28,731		28,731			
306	Lake, River and Other Intakes						
307	Wells and Springs	179,787		179,787			
308	Infiltration Galleries and Tunnels						
309	Supply Mains	15,971		15,971			
310	Power Generation Equipment	30,906		30,906			
311	Pumping Equipment	73,080		73,080			
320	Water Treatment Equipment	130,772			130,772		
330	Distribution Reservoirs and Standpipes	430,487				430,487	
331	Transmission and Distribution Mains	635,799				635,799	
333	Services	59,614				59,614	
334	Meters and Meter Installations	146,211				146,211	
335	Hydrants	49,409				49,409	
336	Backflow Prevention Devices	2,050				2,050	
339	Other Plant / Miscellaneous Equipment	162				162	
340	Office Furniture and Equipment	22,034					22,034
341	Transportation Equipment	9,069					9,069
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	409					409
344	Laboratory Equipment						
345	Power Operated Equipment	926					926
346	Communication Equipment	5,021					5,021
347	Miscellaneous Equipment	1,858					1,858
348	Other Tangible Plant	1,000					1,000
	TOTAL WATER PLANT	\$ 1,908,378	\$ -	\$ 328,475	\$ 215,854	\$ 1,323,732	\$ 40,317

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

YEAR OF REPORT
December 31, 2004

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	28.00	%	3.57 %
305	Collecting and Impounding Reservoirs	28.00	%	3.57 %
306	Lake, River and Other Intakes		%	%
307	Wells and Springs	27.00	%	3.70 %
308	Infiltration Galleries and Tunnels		%	%
309	Supply Mains	35.00	%	2.86 %
310	Power Generation Equipment	20.00	%	5.00 %
311	Pumping Equipment	17.00	%	5.88 %
320	Water Treatment Equipment	7.00	%	14.29 %
330	Distribution Reservoirs and Standpipes	33.00	%	3.03 %
331	Transmission and Distribution Mains	38.00	%	2.63 %
333	Services	35.00	%	2.86 %
334	Meters and Meter Installations	17.00	%	5.88 %
335	Hydrants	45.00	%	2.22 %
336	Backflow Prevention Devices	15.00	%	6.67 %
339	Other Plant / Miscellaneous Equipment	25.00	%	4.00 %
340	Office Furniture and Equipment	15.00	%	6.67 %
341	Transportation Equipment	6.00	%	16.67 %
342	Stores Equipment		%	%
343	Tools, Shop and Garage Equipment	15.00	%	6.67 %
344	Laboratory Equipment		%	%
345	Power Operated Equipment	12.00	%	8.33 %
346	Communication Equipment	10.00	%	10.00 %
347	Miscellaneous Equipment	10.00	%	10.00 %
348	Other Tangible Plant	10.00	%	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 Utilities / Marion

YEAR OF REPORT
 December 31, 2004

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	14,395	1,320		1,320
305	Collecting and Impounding Reservoirs	14,620	1,026		1,026
306	Lake, River and Other Intakes				
307	Wells and Springs	33,364	6,652		6,652
308	Infiltration Galleries and Tunnels				
309	Supply Mains	914	457		457
310	Power Generation Equipment	1,558	1,084		1,084
311	Pumping Equipment	39,294	4,135		4,135
320	Water Treatment Equipment	30,441	14,448		14,448
330	Distribution Reservoirs and Standpipes	10,466	13,043		13,043
331	Transmission and Distribution	111,982	16,455		16,455
333	Services	5,013	1,670		1,670
334	Meters and Meter Installations	(13,090)	7,830		7,830
335	Hydrants	1,320	1,086		1,086
336	Backflow Prevention Devices	92	136		136
339	Other Plant / Miscellaneous Equipment	11	7		7
340	Office Furniture and Equipment	10,027	3,158		3,158
341	Transportation Equipment	13,653	2,475		2,475
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	161	27		27
344	Laboratory Equipment				
345	Power Operated Equipment	424	78		78
346	Communication Equipment	2,130	502		502
347	Miscellaneous Equipment	362	145		145
348	Other Tangible Plant	583	100		100
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 277,720	\$ 75,834	\$ -	\$ 75,834

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

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

YEAR OF REPORT
 December 31, 2004

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					15,715
305	Collecting and Impounding Reservoirs					15,646
306	Lake, River and Other Intakes					
307	Wells and Springs					40,016
308	Infiltration Galleries and Tunnels					
309	Supply Mains					1,371
310	Power Generation Equipment					2,642
311	Pumping Equipment					43,429
320	Water Treatment Equipment					44,889
330	Distribution Reservoirs and Standpipes					23,509
331	Transmission and Distribution					128,437
333	Services					6,683
334	Meters and Meter Installations					(5,260)
335	Hydrants					2,406
336	Backflow Prevention Devices					228
339	Other Plant / Miscellaneous Equipment					18
340	Office Furniture and Equipment					13,185
341	Transportation Equipment	(14,886)	2,000		(12,886)	3,242
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					188
344	Laboratory Equipment					
345	Power Operated Equipment					502
346	Communication Equipment					2,632
347	Miscellaneous Equipment					507
348	Other Tangible Plant					683
TOTAL WATER ACCUMULATED DEPRECIATION		\$ (14,886)	\$ 2,000	\$ -	\$ (12,886)	\$ 340,668

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

YEAR OF REPORT December 31, 2004
--

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance First of Year		\$ <u>1,017,156</u>
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	W-8(a)	<u>122,912</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u> </u>
Total Credits		<u>122,912</u>
Less debits charged during the year (All debits charged during the year must be explained below)		<u> </u>
Total Contributions In Aid of Construction		\$ <u>1,140,068</u>

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

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

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

YEAR OF REPORT
December 31, 2004

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 - Sun Country	39.97	\$ 250	\$ 9,993
Capacity fees except Sun Country	161.19	515	83,013
		-	-
Meter fees - Except Sun Country	181.25	165	29,906
Commercial capacity charges		per erc	
	-		-
Total Credits			\$ 122,912

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 159,590
Debits during year:	
Accruals charged to Account	38,783
Other Debits (specify):	
Total debits	38,783
Credits during year (specify):	
Total credits	
Balance end of year	\$ 198,373

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

YEAR OF REPORT December 31, 2004
--

WATER CIAC SCHEDULE "B"

ADDITIONS TO CONTRIBUTION IN AID OF CONSTRUCTION RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS FROM WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE "CASH" OR "PROPERTY" (b)	WATER (c)
None		
Total Credits		N/A

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

YEAR OF REPORT
December 31, 2004

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	1,158	1,307	\$ 424,345
461.2	Metered Sales to Commercial Customers	42	56	29,064
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	1,200	1,363	453,409
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection	1	1	1,240
	Total Fire Protection Revenue	1	1	1,240
464	Other Sales to Public Authorities			
465	Sales to Irrigation Customers			
466	Sales for Resale			
467	Interdepartmental Sales			
	Total Water Sales	1,201	1,364	454,649
469	Other Water Revenues: Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			5,885
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 5,885
	Total Water Operating Revenues			\$ 460,534

* 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	\$ 32,594	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	81,686		
604	Employee Pensions and Benefits	12,681		
610	Purchased Water			
615	Purchased Power	28,389		
616	Fuel for Power Production	815		
618	Chemicals	3,103		
620	Materials and Supplies	10,006		
631	Contractual Services - Engineering			
632	Contractual Services - Accounting	11,584		
633	Contractual Services - Legal	1,748		
634	Contractual Services - Mgt. Fees	87,090		
635	Contractual Services - Testing			
636	Contractual Services - Other	47,371		1,534
641	Rental of Building/Real Property	14,808		
642	Rental of Equipment			
650	Transportation Expense	1,882		
656	Insurance - Vehicle	(260)		
657	Insurance - General Liability	593		
658	Insurance - Workmens Comp.			
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
670	Bad Debt Expense	1,263		
675	Miscellaneous Expenses	15,605		
Total Water Utility Expenses		\$ 350,958		\$ 1,534

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		16,174	200	15,974	12,664
February		13,124	50	13,074	11,697
March		20,365	60	20,305	19,765
April		24,985	50	24,935	24,609
May		31,687		31,687	25,299
June		20,365		20,365	23,502
July		18,598		18,598	16,431
August		14,668		14,668	14,625
September		14,939	50	14,889	12,584
October		19,050	75	18,975	16,474
November		21,882	25	21,857	23,606
December		18,819	60	18,759	15,955
Total for year	N/A	234,656	570	234,086	217,211

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 Utilities/Marion

YEAR OF REPORT
December 31, 2004

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 Utilities/Marion

YEAR OF REPORT
December 31, 2004

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 Utilities/Marion

YEAR OF REPORT
December 31, 2004

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>

CALCULATION 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		
5/8"	Displacement	1.0	1,158	1,158
3/4"	Displacement	1.5	4	6
1"	Displacement	2.5	23	58
1 1/2"	Displacement or Turbine	5.0	11	55
2"	Displacement, Compound or Turbine	8.0	4	32
3"	Displacement	15.0	1	15
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				1,324

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:

$$\begin{array}{r}
 ERC = \quad 217,211 \text{ gallons, divided by} \\
 \quad \quad 350 \text{ gallons per day} \\
 \quad \quad \underline{365 \text{ days}} \\
 \quad \quad \underline{1,700.3} \text{ ERC's}
 \end{array}$$

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

YEAR OF REPORT
December 31, 2004

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.	
1. Present ERC's * that system can efficiently serve.	<u>1700</u>
2. Maximum number of ERC's * which can be served.	<u>1700</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>1700</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>Approximatly 2500</u>
5. Estimated annual increase in ERC's * .	<u>Approximatly 100 over next three years</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.</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 be	<u>N/A</u>
d. Attach plans for funding the required upgrading.	
e. Is this system under any Consent Order of the 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 based on the calculation on the bottom of Page W-13

WASTEWATER OPERATION SECTION

Note: The Company provides water service only; therefore, Pages S-1 through S-14 have been omitted

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Water Operations
Class A & B**

Company: Windstream Utilities Company

For the Year Ended December 31, 2004

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ -	\$ -	\$ -
Total Metered Sales ((461.1 - 461.5)	471,233	471,233	-
Total Fire Protection Revenue (462.1 - 462.2)	1,240	1,240	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	-	-	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	5,885	5,885	-
Total Water Operating Revenue	\$ 478,358	\$ 478,358	\$ -
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 478,358	\$ 478,358	\$ -

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).