

CLASS "A" OR "B"
WATER and/or WASTEWATER UTILITIES
(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

OF

WU385-05-AR

Windstream Utilities Company

Exact Legal Name of Respondent

427-W

Certificate Numbers

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

03 APR -3 PM 12:10
DIVISION OF
ECONOMIC REGULATION
PUBLIC SERVICE
COMMISSION

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

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March 16, 2006

Officers and Directors
Windstream Utilities Company

We have compiled the 2005 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.

We are not independent with respect to Windstream Utilities Company.

Cronin, Jackson, Nixon & Wilson

CRONIN, JACKSON, NIXON & WILSON

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EXECUTIVE

SUMMARY

CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2005

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, 2005

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, 2005
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**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.**

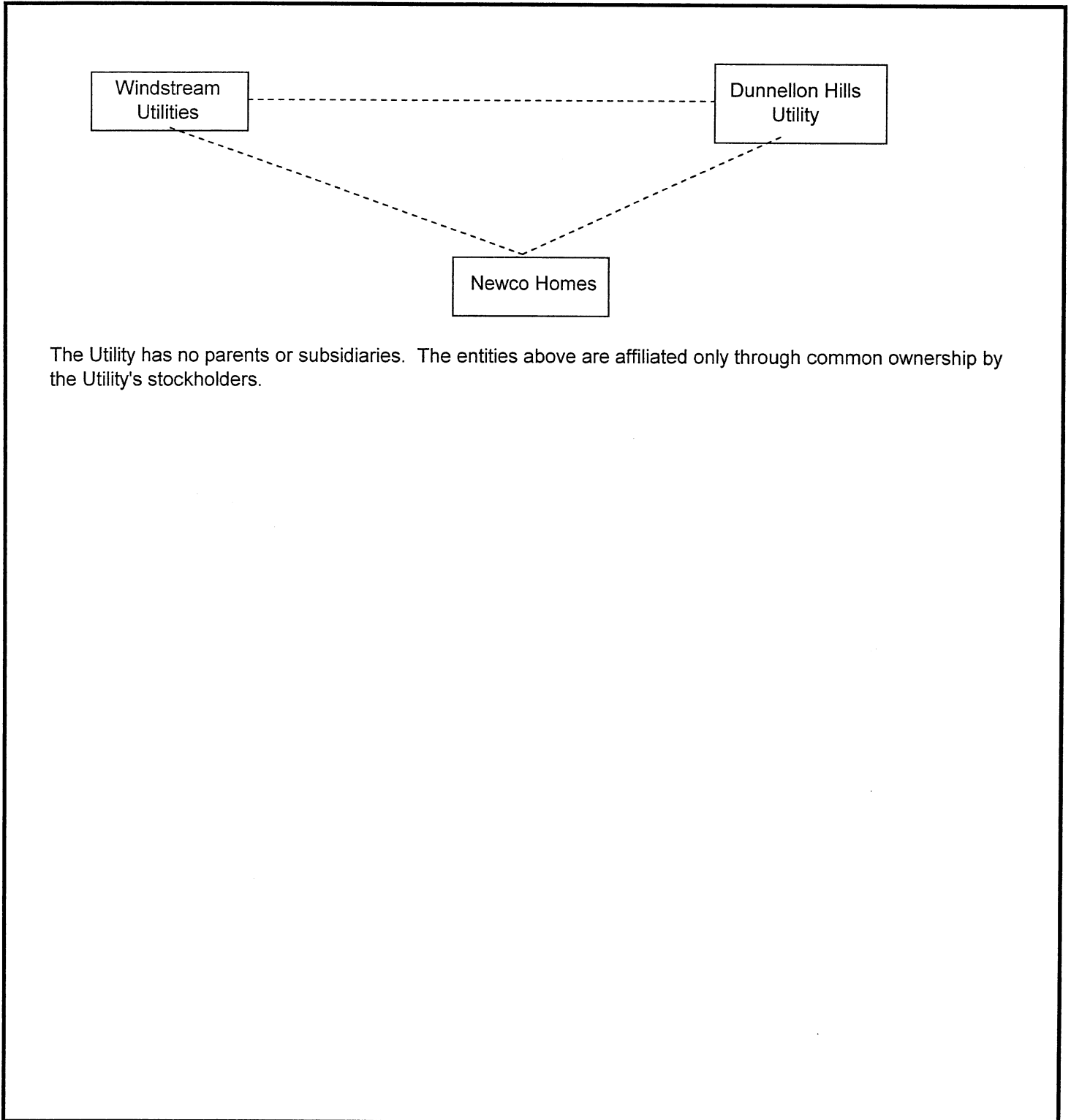
- (A) The Utility was organized March 22, 1984 to provide water service to the Windstream Development. The Utility has experienced customer growth from other developments since its organization.
- (B) Water service only.
- (C) The Utility's goals are to provide quality water service and earn a fair return 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, 2005

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/05

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, 2005
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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	President	90 %	\$ 83,000
L.E. Dlouhy	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	President	1	\$ None
L.E. Dlouhy	Vice President	1	\$ None
			\$
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2005
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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)
Newco Homes	Field labor, plants operations Construction contract negotiation and supervision, field repairs, maintenance, accounting, meter reading, billing.	\$ 100,406	Newco Homes 3002 NE 10th Street Ocala, Florida
Sharon & LE Dlouhy	Office Building	11,310	3002 NE 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

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.

<p>NAME (a)</p>	<p>PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)</p>	<p>AFFILIATION OR CONNECTION (c)</p>	<p>NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)</p>
<p>L.E. Dlouhy</p>	<p>Development</p>	<p>Officer</p>	<p>Newco Homes</p>
<p>Sharon Dlouhy</p>	<p>Mangement</p>	<p>Officer</p>	<p>Newco Homes</p>

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2005
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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, 2005
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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, maintenance, accounting, meter reading, billing.	1984 - Open	P	\$ 100,406
S & LE Dlouhy	Office rent	1984 - Open	p	11,310

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2005
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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

YEAR OF REPORT December 31, 2005
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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	\$ 2,003,795	\$ 1,890,378
108-110	Less: Accumulated Depreciation and Amortization	F-8	(422,779)	(340,668)
Net Plant			<u>1,581,016</u>	<u>1,549,710</u>
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			<u>1,581,016</u>	<u>1,549,710</u>
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		84,039	113,164
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	72,522	20,921
145	Accounts Receivable from Associated Companies	F-12	155,040	151,360
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			<u>314,249</u>	<u>288,093</u>

* Not Applicable for Class B Utilities

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2005

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	\$ 1,919	\$ 5,756
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		1,919	5,756
	TOTAL ASSETS AND OTHER DEBITS		\$ 1,897,184	\$ 1,843,559

* 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	(38,333)	(26,264)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital (Deficit)			(37,333)	(25,264)
LONG TERM DEBT				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	506,488	534,838
Total Long Term Debt			506,488	534,838
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		60,649	57,251
232	Notes Payable	F-18	151	452
233	Accounts Payable to Associated Co.	F-18	247,991	236,712
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		18,940	16,160
236	Accrued Taxes		32,182	26,717
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	5,490	5,982
Total Current and Accrued Liabilities			365,403	343,274

* 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	59,302	49,016
253	Other Deferred Credits	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			59,302	49,016
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	1,247,357	1,140,068
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(244,033)	(198,373)
Total Net C.I.A.C.			1,003,324	941,695
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			\$ 1,897,184	\$ 1,843,559

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)	\$ 460,534	\$ 533,558
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			460,534	533,558
401	Operating Expenses	F-3(b)	350,958	416,268
403	Depreciation Expense	F-3(b)	75,834	82,113
	Less: Amortization of CIAC	F-22	(38,783)	(45,660)
Net Depreciation Expense			37,051	36,453
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	34,177	40,797
409	Current Income Taxes	W/S-3	14,569	9,693
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			436,755	503,211
Net Utility Operating Income			23,779	30,347
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)]			23,779	30,347

* 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)
\$ 533,558 N/A		N/A
533,558	-	-
416,268		
82,113 (45,660)		
36,453	-	-
40,797 9,693		
503,211		
30,347	N/A	
-		
30,347		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)]			\$ 23,779	\$ 30,347
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		223	448
421	Miscellaneous Nonutility Revenue		9,062	10,334
426	Miscellaneous Nonutility Expenses		(8,900)	(10,043)
Total Other Income and Deductions			385	739
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	31,349	39,317
428	Amortization of Debt Discount & Expense	F-13	1,919	3,838
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			33,268	43,155
EXTRAORDINARY ITEMS				
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
NET INCOME			(9,104)	(12,069)

Explain Extraordinary Income:

UTILITY NAME: Windstream Utilities Company

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	\$ 1,956,404	N/A
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	(422,779)	
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	(1,247,357)	
252	Advances for Construction	F-20	(59,302)	
Subtotal			226,966	
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	244,033	
Subtotal			470,999	
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		52,034	
	Other (Specify): Non used & useful advances		59,302	-
RATE BASE			\$ 582,335	\$ -
NET UTILITY OPERATING INCOME			\$ 30,347	\$ -
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			5.21 %	-- %

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	506,639	96.40 %	6.16 %	5.9382 %
Customer Deposits	18,940	3.60 %	6.00 %	0.2160 %
Tax Credits - Zero Cost		%	- %	%
Tax Credits - Weighted Cost		%	- %	%
Deferred Income Taxes		%	- %	%
Other (Explain)		%	- %	%
		%	%	%
Total	\$ 525,579	100.00 %		6.15 %

(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 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	\$ 1,956,404		N/A	\$ 1,956,404
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	47,391			47,391
106	Completed Construction Not Classified				
Total Utility Plant		\$ 2,003,795		N/A	\$ 2,003,795

**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	\$ 340,668		N/A	\$ 340,668
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	82,113			82,113
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				

Salvage				
Other Credits (specify) :				

Total credits	82,113			82,113
Debits during year:				
Book cost of plant retired		-		
Cost of removal				
Other debits (specify)				
Rounding	(2)			(2)

Total debits	(2)			(2)
Balance end of year	\$ 422,779	N/A	N/A	\$ 422,779

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.

**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, 2005

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

YEAR OF REPORT
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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	\$ 21,430	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 21,430
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
CIAC Receivable	\$ 21,879	
Dlouhy Family LTD Partnership	19,997	
Jasmine wastewater receivable	9,216	
Total Other Accounts Receivable		\$ 51,092
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		<u>72,522</u>
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		\$ <u>72,522</u>

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)	(885)
Stockholders	129,170
Total	\$ 155,040

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

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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	\$ 3,838	\$ 1,919
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ 3,838	\$ 1,919
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	\$ -

**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)

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)	\$ (26,264)
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	(12,069)
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	(38,333)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____

214	Total Appropriated Retained Earnings	
	Total Retained Earnings (Deficit)	\$ (38,333)

Notes to Statement of Retained Earnings:

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	\$ 151
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ 151
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	\$ 247,991
Total	\$ 247,991

**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	\$ 38,811	\$ 38,811	\$ -
GE Capital			13	13	
Total Account No. 237.1	-		38,824	38,824	-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Customer Deposits		427.5	353	353	-
RAF Interest			140	140	
Total Account 237.2	-		493	493	
Total Account 237 (1)	\$ -		\$ 39,317	\$ 39,317	\$ -
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 39,317		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 39,317		

(1) Must Agree to F-2(a), Beginning and Ending Balance of Accrued Interest

(2) Must agree to F-3(c), Current Year Interest Expense

**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1)		
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	\$ 1,140,068	N/A	N/A	\$ 1,140,068
Add credits during year:	107,289			107,289
Less debits charged during				-
Total Contributions In Aid of Construction	\$ 1,247,357	\$ -	\$ -	\$ 1,247,357

**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	\$ 198,373	N/A	N/A	\$ 198,373
Debits during year:	45,660			45,660
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 244,033			\$ 244,033

UTILITY NAME: Windstream Utilities Company

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

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

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

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year (loss)	F-3(c)	\$ (12,069)
Reconciling items for the year:		
Taxable income not reported on the books:		
Meter fees	W-7	23,235

Deductions recorded on books not deducted for return:		
Federal Income Taxes		9,435
Miscellaneous non-utility	F-3c	6,862

Income recorded on books not included in return:		

Deduction on return not charged against book income:		
Depreciation	F-3a	10,168

Federal tax net income		\$ 17,295
Computation of tax:		
Taxable Income	\$ 17,295	
Tax Rate	15.00%	
Net Tax	\$ 2,594	

**WATER
OPERATION
SECTION**

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

YEAR OF REPORT
December 31, 2005

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)	\$ 1,956,404
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	(422,779)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	(1,247,357)
252	Advances for Construction	F-20	(59,302)
	Subtotal		226,966
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	244,033
	Subtotal		470,999
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		52,034
	Other (Specify): Non-used & useful advances		59,302
	WATER RATE BASE		\$ 582,335
	UTILITY OPERATING INCOME	W-3	\$ 30,347
CHIEVED RATE OF RETURN (Water Operating Income/Water Rate Bas			5.21 %

- 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	533,558
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		<u>533,558</u>
401	Operating Expenses	W-10(a)	416,268
403	Depreciation Expense	W-6(a)	82,113
	Less: Amortization of CIAC	W-8(a)	(45,660)
	Net Depreciation Expense		<u>36,453</u>
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		<u>22,612</u>
408.11	Property Taxes		<u>3,385</u>
408.12	Payroll Taxes		<u>9,828</u>
408.13	Other Taxes & Licenses		<u>4,972</u>
408	Total Taxes Other Than Income		<u>40,797</u>
409.1	Income Taxes	F-16	<u>9,693</u>
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>503,211</u>
	Utility Operating Income		<u>30,347</u>
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		<u>\$ 30,347</u>

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

YEAR OF REPORT
 December 31, 2005

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	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	8,729		644,528
333	Services	59,614	5,902		65,516
334	Meters and Meter Installations	146,211	24,904		171,115
335	Hydrants	49,409	2,650		52,059
336	Backflow Prevention Devices	2,050			2,050
339	Other Plant / Miscellaneous Equipment	162			162
340	Office Furniture and Equipment	22,034	5,841		27,875
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	\$ 48,026	\$ -	\$ 1,956,404

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
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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	644,528				644,528	
333	Services	65,516				65,516	
334	Meters and Meter Installations	171,115				171,115	
335	Hydrants	52,059				52,059	
336	Backflow Prevention Devices	2,050				2,050	
339	Other Plant / Miscellaneous Equipment	162				162	
340	Office Furniture and Equipment	27,875					27,875
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	\$ 1,956,404	\$ -	\$ 328,475	\$ 215,854	\$ 1,365,917	\$ 46,158

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

YEAR OF REPORT
December 31, 2005

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, 2005

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	15,715	1,321		1,321
305	Collecting and Impounding Reservoirs	15,646	1,026		1,026
306	Lake, River and Other Intakes				
307	Wells and Springs	40,016	6,652		6,652
308	Infiltration Galleries and Tunnels				
309	Supply Mains	1,371	457		457
310	Power Generation Equipment	2,642	1,545		1,545
311	Pumping Equipment	43,429	4,297		4,297
320	Water Treatment Equipment	44,889	18,687		18,687
330	Distribution Reservoirs and Standpipes	23,509	13,044		13,044
331	Transmission and Distribution	128,437	16,836		16,836
333	Services	6,683	1,790	(1)	1,789
334	Meters and Meter Installations	(5,260)	9,329		9,329
335	Hydrants	2,406	1,126		1,126
336	Backflow Prevention Devices	228	137		137
339	Other Plant / Miscellaneous Equipment	18	7	(1)	6
340	Office Furniture and Equipment	13,185	3,455		3,455
341	Transportation Equipment	3,242	1,511		1,511
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	188	28		28
344	Laboratory Equipment				
345	Power Operated Equipment	502	77		77
346	Communication Equipment	2,632	502		502
347	Miscellaneous Equipment	507	186		186
348	Other Tangible Plant	683	100		100
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 340,668	\$ 82,113	\$ (2)	\$ 82,111

* 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, 2005

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					17,036
305	Collecting and Impounding Reservoirs					16,672
306	Lake, River and Other Intakes					
307	Wells and Springs					46,668
308	Infiltration Galleries and Tunnels					
309	Supply Mains					1,828
310	Power Generation Equipment					4,187
311	Pumping Equipment					47,726
320	Water Treatment Equipment					63,576
330	Distribution Reservoirs and Standpipes					36,553
331	Transmission and Distribution					145,273
333	Services					8,472
334	Meters and Meter Installations					4,069
335	Hydrants					3,532
336	Backflow Prevention Devices					365
339	Other Plant / Miscellaneous Equipment					24
340	Office Furniture and Equipment					16,640
341	Transportation Equipment					4,753
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					216
344	Laboratory Equipment					
345	Power Operated Equipment					579
346	Communication Equipment					3,134
347	Miscellaneous Equipment					693
348	Other Tangible Plant					783
TOTAL WATER ACCUMULATED DEPRECIATION		\$ -	\$ -	\$ -	\$ -	\$ 422,779

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

YEAR OF REPORT
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**CONTRIBUTIONS IN AID OF CONSTRUCTION
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance First of Year		\$ 1,140,068
Add credits during year: Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 47,895
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	\$ 59,394
Total Credits		\$ 107,289
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 1,247,357

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, 2005

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	10.00	\$ 250	\$ 2,500
Capacity fees except Sun Country	67.00	515	34,505
		-	-
Meter fees - Except Sun Country	66.00	165	10,890
	-		-
Total Credits			\$ 47,895

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 198,373
Debits during year:	
Accruals charged to Account	45,660
Other Debits (specify):	
Total debits	45,660
Credits during year (specify):	
Total credits	
Balance end of year	\$ 244,033

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

YEAR OF REPORT
December 31, 2005

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)
Sadlowski	Cash	11,623
Jasmine Walk	Cash	25,892
Dr Kolaventy	Cash	10,600
Dr Kolaventy	Property	11,279
Total Credits		\$ 59,394

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

YEAR OF REPORT
December 31, 2005

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			\$ 35
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	1,158	1,307	\$ 495,277
461.2	Metered Sales to Commercial Customers	42	56	31,989
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	527,266
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection	1	1	1,120
	Total Fire Protection Revenue	1	1	1,120
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	528,421
469	Other Water Revenues: Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			5,137
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 5,137
	Total Water Operating Revenues			\$ 533,558

* 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	\$ 35,216	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	94,434		
604	Employee Pensions and Benefits	13,018		
610	Purchased Water			
615	Purchased Power	34,343		
616	Fuel for Power Production	508		
618	Chemicals	3,499		
620	Materials and Supplies	8,759		441
631	Contractual Services - Engineering			
632	Contractual Services - Accounting	10,524		
633	Contractual Services - Legal	2,709		
634	Contractual Services - Mgt. Fees	100,406		
635	Contractual Services - Testing	2,806	75	2,731
636	Contractual Services - Other	79,290	1,419	1,382
641	Rental of Building/Real Property	16,013		
642	Rental of Equipment			
650	Transportation Expense	818		
656	Insurance - Vehicle	2,062		
657	Insurance - General Liability	71		
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			
675	Miscellaneous Expenses	11,791		
Total Water Utility Expenses		\$ 416,267	\$ 1,494	\$ 4,554

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)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,216
					94,434
					13,018
34,343					
508					
3,499					
	992		397	1,522	5,407
					10,524
					2,709
		100,336		70	
19,180	6,063			11,243	40,003
	3,816				12,197
					818
					2,062
					71
					11,791
\$ 57,530	\$ 10,871	\$ 100,336	\$ 397	\$ 12,835	\$ 228,250

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		18,805		18,805	25,170
February		17,648		17,648	17,547
March		17,402		17,402	17,559
April		23,100		23,100	19,546
May		30,382		30,382	25,562
June		21,360		21,360	15,507
July		21,480		21,480	21,484
August		20,961		20,961	23,472
September		27,489		27,489	22,797
October		21,898		21,898	23,338
November		24,951		24,951	19,854
December		16,955		16,955	17,442
Total for year	N/A	262,431	N/A	262,431	249,278

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, 2005

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, 2005

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, 2005

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	1,307	1,307
3/4"	Displacement	1.5	4	6
1"	Displacement	2.5	34	85
1 1/2"	Displacement or Turbine	5.0	14	70
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				<u>1,515</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

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

$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$$

ERC Calculation:

$$\begin{array}{r}
 ERC = \quad 249,278 \text{ gallons, divided by} \\
 \quad \quad \quad 350 \text{ gallons per day} \\
 \quad \quad \quad \underline{\quad 365 \text{ days}} \\
 \quad \quad \quad \underline{\quad 1,951.3 \text{ ERC's}}
 \end{array}$$

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

YEAR OF REPORT
December 31, 2005

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, 2005

(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)	\$ 35	\$ -	\$ 35
Total Metered Sales ((461.1 - 461.5)	550,545	524,484	26,061
Total Fire Protection Revenue (462.1 - 462.2)	1,120	-	1,120
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	-	-	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	5,137	5,297	(160)
Total Water Operating Revenue	\$ 556,837	\$ 529,781	\$ 27,056
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 556,837	\$ 529,781	\$ 27,056

Explanations:

Company erroneously reported 6/30/05 - 12/31/05 revenue. Amended return being filed

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).