

OFFICIAL COPY
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WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU388-01-AR
Mr. Thomas Martino
San Sebastian Water, LLC
7900 Fox Creek Trail
Franktown, CO 80116-9670

ECONOMIC REGULATION

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02 SEP 10 AM 11:02

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2001

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA). Commission Rules and the definitions on next page.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule in the report. Additional pages should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceeding year ending December 31.

Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Water and Wastewater, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water or wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

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FINANCIAL SECTION

REPORT OF

San Sebastian Utilities Inc. Pending transfer to San Sebastian Water, LLC
(EXACT NAME OF UTILITY)

7900 Fox Creek Trail
Franktown, CO 80116
Mailing Address

5800 13th Street
Micco, FL 32976
Street Address County

Telephone Number 303-660-4485

Date Utility First Organized 12/8/83

Fax Number 303-660-4490

E-mail Address _____

Sunshine State One-Call of Florida, Inc. Member No. _____

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

- Individual Sub Chapter S Corporation 1120 Corporation Partnership

Name, Address and phone where records are located: W.F. McCain & Assoc., 2066 14th Ave., Ste. 102
Vero Beach, FL 32960 (W.F. McCain, President/Principal Engineer)

Name of subdivisions where services are provided: San Sebastian Subdivision

CONTACTS:

| Name | Title | Principle Business Address | Salary Charged Utility |
|---|--|---|---|
| Person to send correspondence: <u>W.F. McCain & Assoc.</u> | <u>President/</u> <u>Principal Engineer</u> | <u>2066 14th Ave. Ste. 102</u> <u>Vero Beach, FL 32960</u> | |
| Person who prepared this report: <u>W.F. McCain, P.E.</u> | | | N/A |
| Officers and Managers: <u>Tom Martino</u> | <u>Financial Mgr.</u> | <u>7900 Fox Creek Trail</u> <u>Franktown, CO 80116</u> | <u>\$</u> <u>\$6</u> <u>\$</u> <u>\$</u> |
| <u>Charles H. Wahlen</u> | <u>Manager</u> | <u>7900 Fox Creek Trail</u> <u>Franktown, CO 80116</u> | <u>\$</u> <u>\$</u> <u>\$</u> <u>\$</u> |

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

| Name | Percent Ownership in Utility | Principle Business Address | Salary Charged Utility |
|--------------------------|------------------------------|--|--|
| <u>Charles H. Wahlen</u> | <u>100%</u> <u>7900</u> | <u>Fox Creek Trail</u> <u>Franktown, CO 80116</u> | <u>\$</u> <u>\$6</u> <u>\$</u> <u>\$</u> <u>\$</u> <u>\$</u> <u>\$</u> |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

San Sebastian Utilities, Inc.
 UTILITY NAME: San Sebastian Water, LLC

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2001 |
|-------------------------------------|

INCOME STATEMENT

| Account Name | Ref. Page | Water | Wastewater | Other | Total Company |
|---|------------|----------|------------|----------|---------------|
| Gross Revenue: | | | | | |
| Residential_____ | | \$ 0.00 | \$ _____ | \$ _____ | \$ _____ |
| Commercial_____ | | 0.00 | _____ | _____ | _____ |
| Industrial_____ | | 0.00 | _____ | _____ | _____ |
| Multiple Family_____ | | 0.00 | _____ | _____ | _____ |
| Guaranteed Revenues__ | | 0.00 | _____ | _____ | _____ |
| Other (Specify)_____ | | _____ | _____ | _____ | _____ |
| Total Gross Revenue__ | | \$ 0.00 | \$ _____ | \$ _____ | \$ _____ |
| Operation Expense (Must tie to pages W-3 and S-3) | W-3 S-3 | \$ 0.00 | \$ _____ | \$ _____ | \$ _____ |
| Depreciation Expense_____ | F-5 | 0.00 | _____ | _____ | _____ |
| CIAC Amortization Expense__ | F-8 | 0.00 | _____ | _____ | _____ |
| Taxes Other Than Income__ | F-7 | 0.00 | _____ | _____ | _____ |
| Income Taxes_____ | F-7 | 0.00 | _____ | _____ | _____ |
| Total Operating Expense | | \$ 0.00 | _____ | _____ | \$ _____ |
| Net Operating Income (Loss) | | \$ 0.00 | \$ _____ | \$ _____ | \$ _____ |
| Other Income: | | | | | |
| Nonutility Income_____ | | \$ 0.00 | \$ _____ | \$ _____ | \$ _____ |
| _____ | | _____ | _____ | _____ | _____ |
| Other Deductions: | | | | | |
| Miscellaneous Nonutility Expenses_____ | | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Interest Expense_____ | | _____ | _____ | _____ | _____ |
| _____ | | _____ | _____ | _____ | _____ |
| _____ | | _____ | _____ | _____ | _____ |
| Net Income (Loss) | | \$ 0.00 | \$ _____ | \$ _____ | \$ _____ |

COMPARATIVE BALANCE SHEET

| ACCOUNT NAME | Reference Page | Current Year | Previous Year |
|---|----------------|----------------|---------------|
| Assets: | | | N/A |
| Utility Plant in Service (101-105) ----- | F-5,W-1,S-1 | \$ 0.00 | \$ _____ |
| Accumulated Depreciation and Amortization (108) ----- | F-5,W-2,S-2 | <u>0.00</u> | <u>_____</u> |
| Net Utility Plant ----- | | \$ 0.00 | \$ _____ |
| Cash ----- | | 0.00 | _____ |
| Customer Accounts Receivable (141) ----- | | _____ | _____ |
| Other Assets (Specify): ----- | | 0.00 | _____ |
| ----- | | _____ | _____ |
| ----- | | _____ | _____ |
| Total Assets ----- | | \$ <u>0.00</u> | \$ _____ |
| Liabilities and Capital: | | | |
| Common Stock Issued (201) ----- | F-6 | 100.00 | _____ |
| Preferred Stock Issued (204) ----- | F-6 | <u>100.00</u> | _____ |
| Other Paid in Capital (211) ----- | | 0.00 | _____ |
| Retained Earnings (215) ----- | F-6 | 0.00 | _____ |
| Proprietary Capital (Proprietary and partnership only) (218) ----- | F-6 | <u>0.00</u> | <u>_____</u> |
| Total Capital ----- | | \$ <u>0.00</u> | \$ _____ |
| Long Term Debt (224) ----- | F-6 | \$ 0.00 | \$ _____ |
| Accounts Payable (231) ----- | | _____ | _____ |
| Notes Payable (232) ----- | | _____ | _____ |
| Customer Deposits (235) ----- | | _____ | _____ |
| Accrued Taxes (236) ----- | | _____ | _____ |
| Other Liabilities (Specify) ----- | | _____ | _____ |
| ----- | | _____ | _____ |
| ----- | | _____ | _____ |
| Advances for Construction ----- | | _____ | _____ |
| Contributions in Aid of Construction - Net (271-272) ----- | F-8 | <u>0.00</u> | <u>_____</u> |
| Total Liabilities and Capital ----- | | \$ <u>0.00</u> | \$ _____ |

San Sebastian Utilities, Inc.
UTILITY NAME: San Sebastian Water, LLC

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|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2001 |
|-------------------------------------|

GROSS UTILITY PLANT

| Plant Accounts: (101 - 107) inclusive | Water | Wastewater | Plant other Than Reporting Systems | Total |
|--|----------------|-----------------|---|----------------|
| Utility Plant in Service ----- | \$ _____ | \$ _____ | \$ _____ | \$ 0.00 |
| Construction Work in ----- | _____ | _____ | _____ | _____ |
| Other (Specify) _____ _____ _____ | _____ | _____ | _____ | _____ |
| Total Utility Plant _____ | \$ 0.00 | \$ _____ | \$ _____ | \$ 0.00 |

ACCUMULATED DEPRECIATION (A/D) AND AMORTIZATION OF UTILITY PLANT

| Account 108 | Water | Wastewater | Other Than Reporting Systems | Total |
|---|----------------|-----------------|------------------------------------|----------------|
| Balance First of Year _____ | \$ 0.00 | \$ _____ | \$ _____ | \$ 0.00 |
| Add Credits During Year: | | | | |
| Accruals charged to depreciation account _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Salvage _____ | _____ | _____ | _____ | _____ |
| Other Credits (specify) _____ _____ | _____ | _____ | _____ | _____ |
| Total Credits _____ | \$ 0.00 | \$ _____ | \$ _____ | \$ 0.00 |
| Deduct Debits During Year: | | | | |
| Book cost of plant retired _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| Cost of removal _____ | _____ | _____ | _____ | _____ |
| Other debits (specify) _____ _____ | _____ | _____ | _____ | _____ |
| Total Debits _____ | \$ 0.00 | \$ _____ | \$ _____ | \$ 0.00 |
| Balance End of Year _____ | \$ 0.00 | \$ _____ | \$ _____ | \$ 0.00 |

UTILITY NAME: _____

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2001 |
|-------------------------------------|

CAPITAL STOCK (201 - 204)

| | Common Stock | 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 _____ | _____ | _____ |

RETAINED EARNINGS (215)

| | Appropriated | Un-Appropriated |
|--|--------------|-----------------|
| Balance first of year _____ | \$ _____ | \$ _____ |
| Changes during the year (Specify): _____ _____ | _____ | _____ |
| Balance end of year _____ | \$ _____ | \$ _____ |

PROPRIETARY CAPITAL (218)

| | Proprietor Or Partner | Partner |
|--|-----------------------|----------|
| Balance first of year _____ | \$ _____ | \$ _____ |
| Changes during the year (Specify): _____ _____ | _____ | _____ |
| Balance end of year _____ | \$ _____ | \$ _____ |

LONG TERM DEBT (224)

| Description of Obligation (Including Date of Issue and Date of Maturity): | Interest | | Principal per Balance Sheet Date |
|---|----------|------------|----------------------------------|
| | Rate | # of Pymts | |
| _____ | _____ | _____ | \$ _____ |
| _____ | _____ | _____ | _____ |
| Total _____ | | | \$ _____ |

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

| (a) | Water (b) | Wastewater (c) | Total (d) |
|---|----------------|-------------------|--------------|
| 1) Balance first of year _____ | \$ _____ | \$ _____ | \$ _____ |
| 2) Add credits during year _____ | _____ | _____ | _____ |
| 3) Total _____ | \$ _____ | \$ _____ | \$ _____ |
| 4) Deduct charges during the year _____ | _____ | _____ | _____ |
| 5) Balance end of year _____ | _____ | _____ | _____ |
| 6) Less Accumulated Amortization _____ | _____ | _____ | _____ |
| 7) Net CIAC _____ | \$ <u>0.00</u> | \$ _____ | \$ _____ |

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

| Report below all developers or contractors agreements from which cash or property was received during the year. | Indicate "Cash" or "Property" | Water | Wastewater |
|---|-------------------------------|-----------------------|------------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| Sub-total _____ | | \$ _____ | \$ _____ |
| Report below all capacity charges, main extension charges and customer connection charges received during the year. | | | |
| Description of Charge | Number of Connections | Charge per Connection | |
| _____ | _____ | \$ _____ | \$ _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| Total Credits During Year (Must agree with line # 2 above.) _____ | | | \$ _____ |

ACCUMULATED AMORTIZATION OF CIAC (272)

| | Water | Wastewater | Total |
|--|----------|------------|----------|
| Balance First of Year _____ | \$ _____ | \$ _____ | \$ _____ |
| Add Debits During Year: _____ | _____ | _____ | _____ |
| Deduct Credits During Year: _____ | _____ | _____ | _____ |
| Balance End of Year (Must agree with line #6 above.) _____ | \$ _____ | \$ _____ | \$ _____ |

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME: _____

| |
|------------------------------------|
| YEAR OF REPORT DECEMBER 31 2001 |
|------------------------------------|

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

| Class of Capital (a) | Dollar Amount (b) | Percentage of Capital (c) | Actual Cost Rates (d) | Weighted Cost [c x d] (e) |
|-----------------------------|----------------------|------------------------------|--------------------------|--------------------------------|
| Common Equity | \$ _____ | _____ % | _____ % | _____ % |
| Preferred Stock | _____ | _____ % | _____ % | _____ % |
| Long Term Debt | _____ | _____ % | _____ % | _____ % |
| Customer Deposits | _____ | _____ % | _____ % | _____ % |
| Tax Credits - Zero Cost | _____ | _____ % | 0.00 % | _____ % |
| Tax Credits - Weighted Cost | _____ | _____ % | _____ % | _____ % |
| Deferred Income Taxes | _____ | _____ % | _____ % | _____ % |
| Other (Explain) | _____ | _____ % | _____ % | _____ % |
| Total | \$ _____ | 100.00 % | | _____ % |

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

| |
|--|
| Current Commission approved AFUDC rate: _____ % Commission Order Number approving AFUDC rate: _____ |
|--|

**WATER
OPERATING
SECTION**

San Sebastian Utilities, Inc.
 UTILITY NAME: San Sebastian Water, LLC

| |
|------------------------------------|
| YEAR OF REPORT DECEMBER 31 2001 |
|------------------------------------|

WATER UTILITY PLANT ACCOUNTS

| Acct. No. (a) | Account Name (b) | Previous Year (c) | Additions (d) | Retirements (e) | Current Year (f) |
|---------------|---|-------------------|---------------|-----------------|------------------|
| 301 | Organization _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| 302 | Franchises _____ | _____ | _____ | _____ | _____ |
| 303 | Land and Land Rights _____ | _____ | _____ | _____ | _____ |
| 304 | Structures and Improvements _____ | _____ | _____ | _____ | _____ |
| 305 | Collecting and Impounding Reservoirs _____ | _____ | _____ | _____ | _____ |
| 306 | Lake, River and Other Intakes _____ | _____ | _____ | _____ | _____ |
| 307 | Wells and Springs _____ | _____ | _____ | _____ | _____ |
| 308 | Infiltration Galleries and Tunnels _____ | _____ | _____ | _____ | _____ |
| 309 | Supply Mains _____ | _____ | _____ | _____ | _____ |
| 310 | Power Generation Equipment _____ | _____ | _____ | _____ | _____ |
| 311 | Pumping Equipment _____ | _____ | _____ | _____ | _____ |
| 320 | Water Treatment Equipment _____ | _____ | _____ | _____ | _____ |
| 330 | Distribution Reservoirs and Standpipes _____ | _____ | _____ | _____ | _____ |
| 331 | Transmission and Distribution Lines _____ | _____ | _____ | _____ | _____ |
| 333 | Services _____ | _____ | _____ | _____ | _____ |
| 334 | Meters and Meter Installations _____ | _____ | _____ | _____ | _____ |
| 335 | Hydrants _____ | _____ | _____ | _____ | _____ |
| 336 | Backflow Prevention Devices _____ | _____ | _____ | _____ | _____ |
| 339 | Other Plant and Miscellaneous Equipment _____ | _____ | _____ | _____ | _____ |
| 340 | Office Furniture and Equipment _____ | _____ | _____ | _____ | _____ |
| 341 | Transportation Equipment _____ | _____ | _____ | _____ | _____ |
| 342 | Stores Equipment _____ | _____ | _____ | _____ | _____ |
| 343 | Tools, Shop and Garage Equipment _____ | _____ | _____ | _____ | _____ |
| 344 | Laboratory Equipment _____ | _____ | _____ | _____ | _____ |
| 345 | Power Operated Equipment _____ | _____ | _____ | _____ | _____ |
| 346 | Communication Equipment _____ | _____ | _____ | _____ | _____ |
| 347 | Miscellaneous Equipment _____ | _____ | _____ | _____ | _____ |
| 348 | Other Tangible Plant _____ | _____ | _____ | _____ | _____ |
| | Total Water Plant _____ | \$ <u>0.00</u> | \$ _____ | \$ _____ | \$ _____ |

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2001

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

| Acct. No. (a) | Account (b) | Average Service Life in Years (c) | Average Salvage Percent (d) | Depr. Rate Applied (e) | Accumulated Depreciation Balance Previous Year (f) | Debits (g) | Credits (h) | Accum. Depr. Balance End of Year (f-g+h=i) (i) |
|---------------|---|-----------------------------------|-----------------------------|------------------------|--|------------|-------------|--|
| 304 | Structures and Improvements | | % | % | \$ | \$ | | \$ |
| 305 | Collecting and Impounding Reservoirs | | % | % | | | | |
| 306 | Lake, River and Other Intakes | | % | % | | | | |
| 307 | Wells and Springs | | % | % | | | | |
| 308 | Infiltration Galleries & Tunnels | | % | % | | | | |
| 309 | Supply Mains | | % | % | | | | |
| 310 | Power Generating Equipment | | % | % | | | | |
| 311 | Pumping Equipment | | % | % | | | | |
| 320 | Water Treatment Equipment | | % | % | | | | |
| 330 | Distribution Reservoirs & Standpipes | | % | % | | | | |
| 331 | Trans. & Dist. Mains | | % | % | | | | |
| 333 | Services | | % | % | | | | |
| 334 | Meter & Meter Installations | | % | % | | | | |
| 335 | Hydrants | | % | % | | | | |
| 336 | Backflow Prevention Devices | | % | % | | | | |
| 339 | Other Plant and Miscellaneous Equipment | | % | % | | | | |
| 340 | Office Furniture and Equipment | | % | % | | | | |
| 341 | Transportation Equipment | | % | % | | | | |
| 342 | Stores Equipment | | % | % | | | | |
| 343 | Tools, Shop and Garage Equipment | | % | % | | | | |
| 344 | Laboratory Equipment | | % | % | | | | |
| 345 | Power Operated Equipment | | % | % | | | | |
| 346 | Communication Equipment | | % | % | | | | |
| 347 | Miscellaneous Equipment | | % | % | | | | |
| 348 | Other Tangible Plant | | % | % | | | | |
| | Totals | | | | \$ | \$ | \$ | \$ * |

* This amount should tie to Sheet F-5.

WATER OPERATION AND MAINTENANCE EXPENSE

| Acct. No. | Account Name | Amount |
|-----------|---|--------------|
| 601 | Salaries and Wages - Employees | \$ _____ |
| 603 | Salaries and Wages - Officers, Directors, and Majority Stockholders | _____ |
| 604 | Employee Pensions and Benefits | _____ |
| 610 | Purchased Water | _____ |
| 615 | Purchased Power | _____ |
| 616 | Fuel for Power Production | _____ |
| 618 | Chemicals | _____ |
| 620 | Materials and Supplies | _____ |
| 630 | Contractual Services: | _____ |
| | Billing | _____ |
| | Professional | _____ |
| | Testing | 45,000.00 |
| | Other | _____ |
| 640 | Rents | _____ |
| 650 | Transportation Expense | _____ |
| 655 | Insurance Expense | _____ |
| 665 | Regulatory Commission Expenses (Amortized Rate Case Expense) | _____ |
| 670 | Bad Debt Expense | _____ |
| 675 | Miscellaneous Expenses | _____ |
| | Total Water Operation And Maintenance Expense | \$ 45,000.00 |
| | * This amount should tie to Sheet F-3. | |

WATER CUSTOMERS

| Description (a) | Type of Meter ** (b) | Equivalent Factor (c) | Number of Active Customers | | Total Number of Meter Equivalents (c x e) (f) |
|--|-------------------------|--------------------------|----------------------------|--------------------|---|
| | | | Start of Year (d) | End of Year (e) | |
| Residential Service | | | | | |
| 5/8" | D | 1.0 | _____ | _____ | _____ |
| 3/4" | D | 1.5 | _____ | _____ | _____ |
| 1" | D | 2.5 | _____ | _____ | _____ |
| 1 1/2" | D,T | 5.0 | _____ | _____ | _____ |
| General Service | | | | | |
| 5/8" | D | 1.0 | _____ | _____ | _____ |
| 3/4" | D | 1.5 | _____ | _____ | _____ |
| 1" | D | 2.5 | _____ | _____ | _____ |
| 1 1/2" | D,T | 5.0 | _____ | _____ | _____ |
| 2" | D,C,T | 8.0 | _____ | _____ | _____ |
| 3" | D | 15.0 | _____ | _____ | _____ |
| 3" | C | 16.0 | _____ | _____ | _____ |
| 3" | T | 17.5 | _____ | _____ | _____ |
| Unmetered Customers | | | _____ | _____ | _____ |
| Other (Specify) | _____ | _____ | _____ | _____ | _____ |
| ** D = Displacement C = Compound T = Turbine | | | Total | _____ | _____ |

San Sebastian Utilities, Inc.
 UTILITY NAME: San Sebastian Water, LLC

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2001 |
|-------------------------------------|

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

| (a) | (b) Water Purchased For Resale (Omit 000's) | (c) Finished Water From Wells (Omit 000's) | (d) Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) | (e) Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] | (f) Water Sold To Customers (Omit 000's) |
|----------------------|--|---|--|--|---|
| January _____ | _____ | _____ | _____ | _____ | _____ |
| February _____ | _____ | _____ | _____ | _____ | _____ |
| March _____ | _____ | _____ | _____ | _____ | _____ |
| April _____ | _____ | _____ | _____ | _____ | _____ |
| May _____ | _____ | _____ | _____ | _____ | _____ |
| June _____ | _____ | _____ | _____ | _____ | _____ |
| July _____ | _____ | _____ | _____ | _____ | _____ |
| August _____ | _____ | _____ | _____ | _____ | _____ |
| September _____ | _____ | _____ | _____ | _____ | _____ |
| October _____ | _____ | _____ | _____ | _____ | _____ |
| November _____ | _____ | _____ | _____ | _____ | _____ |
| December _____ | _____ | _____ | _____ | _____ | _____ |
| Total for Year _____ | _____ | _____ | _____ | _____ | _____ |

If water is purchased for resale, indicate the following:
 Vendor _____
 Point of delivery _____

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

MAINS (FEET)

| Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.) | Diameter of Pipe | First of Year | Added | Removed or Abandoned | End of Year |
|---|------------------|---------------|-------|----------------------|-------------|
| PVC | 8 inch | 0 | 0 | 0 | 2385± |
| PVC | 6 inch | 0 | 0 | 0 | 825± |
| PVC | 4 inch | 0 | 0 | 0 | 975± |
| PVC | 2 inch | 0 | 0 | 0 | 660± |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

San Sebastian Utilities, Inc.
 UTILITY NAME: San Sebastian Water, LLC

| |
|-------------------------------------|
| YEAR OF REPORT DECEMBER 31, 2001 |
|-------------------------------------|

SYSTEM NAME: _____

WELLS AND WELL PUMPS

| (a) | (b) | (c) | (d) | (e) |
|---|------|------|-----|-----|
| Year Constructed _____ | 1985 | 1985 | | |
| Types of Well Construction and Casing _____ | PVC | PVC | | |
| Depth of Wells _____ | | | | |
| Diameters of Wells _____ | 6" | 6" | | |
| Pump - GPM _____ | 110 | 90 | | |
| Motor - HP _____ | | | | |
| Motor Type * _____ | | | | |
| Yields of Wells in GPD _____ | | | | |
| Auxiliary Power _____ | | | | |
| * Submersible, centrifugal, etc. | | | | |

RESERVOIRS

| (a) | (b) | (c) | (d) | (e) |
|-------------------------------------|-----|-----|-----|-----|
| Description (steel, concrete) _____ | | | | |
| Capacity of Tank _____ | | | | |
| Ground or Elevated _____ | | | | |

HIGH SERVICE PUMPING
 Is provided by well pumps

| (a) | (b) | (c) | (d) | (e) |
|--|-----|-----|-----|-----|
| Motors | | | | |
| Manufacturer <u>Flint & Walling</u> _____ | | | | |
| Type <u>submersible</u> _____ | | | | |
| Rated Horsepower <u>7.5</u> _____ | | | | |
| Pumps | | | | |
| Manufacturer <u>Flint & Walling</u> _____ | | | | |
| Type <u>submersible</u> _____ | | | | |
| Capacity in GPM _____ | | | | |
| Average Number of Hours Operated Per Day _____ | | | | |
| Auxiliary Power _____ | | | | |

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2001

SOURCE OF SUPPLY

| List for each source of supply (Ground, Surface, Purchased Water etc.) | | | |
|--|-------|-------|-------|
| Permitted Gals. per day _____ | _____ | _____ | _____ |
| Type of Source _____ | _____ | _____ | _____ |

WATER TREATMENT FACILITIES

| List for each Water Treatment Facility: | | | |
|---|-------|-------|-------|
| Type _____ | _____ | _____ | _____ |
| Make _____ | _____ | _____ | _____ |
| Permitted Capacity (GPD) _____ | _____ | _____ | _____ |
| High service pumping | _____ | _____ | _____ |
| Gallons per minute _____ | _____ | _____ | _____ |
| Reverse Osmosis _____ | _____ | _____ | _____ |
| Lime Treatment | _____ | _____ | _____ |
| Unit Rating _____ | _____ | _____ | _____ |
| Filtration | _____ | _____ | _____ |
| Pressure Sq. Ft. _____ | _____ | _____ | _____ |
| Gravity GPD/Sq.Ft. _____ | _____ | _____ | _____ |
| Disinfection | _____ | _____ | _____ |
| Chlorinator _____ | _____ | _____ | _____ |
| Ozone _____ | _____ | _____ | _____ |
| Other _____ | _____ | _____ | _____ |
| Auxiliary Power _____ | _____ | _____ | _____ |

UTILITY NAME: San Sebastian Water, Inc

YEAR OF REPORT
DECEMBER 31, 2001

SYSTEM NAME: _____

GENERAL WATER SYSTEM INFORMATION

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

- 1. Present ERC's * the system can efficiently serve. 0
- 2. Maximum number of ERCs * which can be served. 0
- 3. Present system connection capacity (in ERCs *) using existing lines. 0
- 4. Future connection capacity (in ERCs *) upon service area buildout. 230+
- 5. Estimated annual increase in ERCs *. project buildout of subdivision 2003
- 6. Is the utility required to have fire flow capacity? N/A
If so, how much capacity is required? _____
- 7. Attach a description of the fire fighting facilities.
- 8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.
Distribution system complete, plant construction to begin late 2002
- 9. When did the company last file a capacity analysis report with the DEP? N/A
- 10. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? no
- 11. Department of Environmental Protection ID # WD05-0179660-002/003/004
WC05-0179660-001
- 12. Water Management District Consumptive Use Permit # 1742
 - a. Is the system in compliance with the requirements of the CUP? yes
 - b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on 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 residents (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 = (Total SFR gallons sold (omit 000/365 days/350 gallons per day).

WASTEWATER OPERATING SECTION

Note: This utility is a water only service; therefore, Pages S-1 through S-6 have been omitted from this report.

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 2001

CERTIFICATION OF ANNUAL REPORT

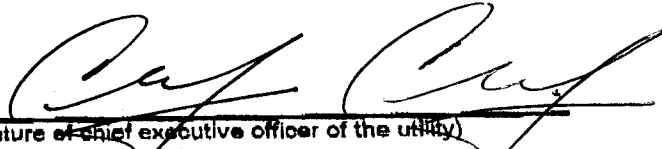
I HEREBY CERTIFY, to the best of my knowledge and belief:

- YES NO 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.
- YES NO 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.
- YES NO 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.
- YES NO 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the 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.

1. 2. 3. 4.



 (signature of chief executive officer of the utility)

 (signature of chief financial officer of the utility)

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

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