

OFFICIAL COPY
Public Service Commission
Do Not Remove from this Office

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WU671-05-AR
Peoples Water Service Company of Florida, Inc.
409 Washington Avenue, Suite 310
Towson, MD 21204-4971

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

TABLE OF CONTENTS

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

TABLE OF CONTENTS

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

EXECUTIVE SUMMARY

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

CERTIFICATION OF ANNUAL REPORT

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

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

Items Certified

1.	2.	3.	4.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Richard E. Gillet President
(Signature of Chief Executive Officer of the utility) *

1.	2.	3.	4.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Gerald H. Matson Treasurer
(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.

ANNUAL REPORT OF

YEAR OF REPORT December 31, 2005
--

PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

 (Exact Name of Utility)

County: ESCAMBIA

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

Peoples Water Service Company of Florida, Inc.

 409 Washington Avenue, Suite 310

 Towson, Maryland 21204

Telephone: 410-825-3722

E Mail Address: sgillet@peopleswater.net or gmatson@peopleswater.net

WEB Site: _____

Sunshine State One-Call of Florida, Inc. Member Number PWSC0

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

Sherlock S. Gillet Jr., Vice President or Gerald H. Matson, Treasurer

 Peoples Water Service Company of Florida, Inc.

 409 Washington Avenue, Suite 310

 Towson, Maryland 21204

 Telephone: 410-825-3722

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

Corporate records and general ledger are located at:

 409 Washington Avenue, Suite 310, Towson, Maryland 21204

 Detail consumers accounts and operational data are located at:

 905 Lownde Avenue, Pensacola, Florida 32507

 Telephone: 410-825-3722 (MD); 850-455-8552 (FL)

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

Clifton Gunderson, LLP

Date of original organization of the utility: May 1, 1995

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

Individual
 Partnership
 Sub S Corporation
 1120 Corporation

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

	Name	Percent Ownership
1.	<u>The Peoples Water Service Company</u>	<u>100%</u>
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
9.	_____	_____
10.	_____	_____

COMPANY PROFILE

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

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

The Peoples Water Service Company ("Parent Company") was formed in 1929 to operate as an investor-owned public water utility. Having acquired several water plants in the southeastern states, the Company acquired a franchise in 1937 to provide water service to residential and commercial customers in the Warrington suburb of Pensacola in Escambia County, Florida. Prior to May 1, 1995, the Warrington Plant was operated as a separate division of The Peoples Water Service Company. Corporate offices are located in Towson, Baltimore County, Maryland.

A wholly-owned subsidiary, Water Treatment & Controls Company, sells, installs and services water and wastewater treatment equipment and related accessories to/for commercial, industrial, and municipal customers located in the southern states.

CORPORATE REORGANIZATION

The Parent Company reorganized its operations on May 1, 1995. All of the assets and liabilities of the Warrington Plant operating as a public water utility in Pensacola, Florida, were transferred to a new Florida corporation, Peoples Water Service Company of Florida, Inc., a wholly-owned subsidiary of the Parent Company.

Peoples Water Service Company of Maryland, Inc., a wholly-owned subsidiary of the Parent Company, provides management and administrative support services to the operating subsidiaries and divisions of the Parent, including Peoples Water Service Company of Florida, Inc.

The enclosed financial statements represent the statement of financial condition and the results of operations of Peoples Water Service Company of Florida, Inc.

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

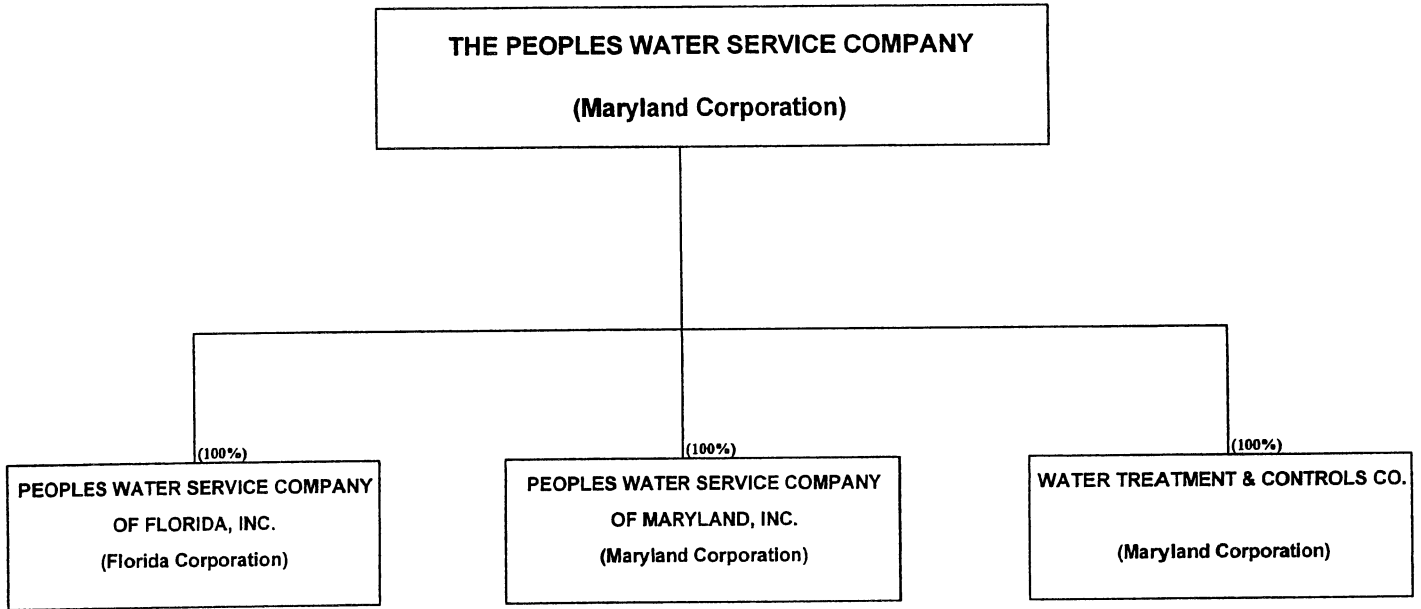
PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/05

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

ORGANIZATIONAL CHART IS ATTACHED AS PAGE E-5(b).

THE PEOPLES WATER SERVICE COMPANY AND SUBSIDIARIES
ORGANIZATIONAL CHART



COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Sherlock S. Gillet	President	29%	\$ 148,520
Sherlock S. Gillet Jr.	Vice President	29%	88,297
Gerald H. Matson	Secretary- Treasurer	29%	37,134

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
Sherlock S. Gillet	Director	1	\$ 0
Sherlock S. Gillet Jr.	Director	1	0
Gerald H. Matson	Director	1	0

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or 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)
Peoples Water Service Company of Maryland, Inc.	Management Fees	\$ 476,274	409 Washington Ave. Suite 310 Towson, Maryland 21204
Peoples Water Service Company of Maryland, Inc.	Computer Service	143,554	409 Washington Ave. Suite 310 Towson, Maryland 21204
Water Treatment & Controls Company	Equipment, Parts & Service	66,277	409 Washington Ave Suite 310 Towson, Maryland 21204

* 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: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

AFFILIATION OF OFFICERS AND DIRECTORS

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

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Sherlock S. Gillet	Pres./Director		The Peoples Water Service Company Towson, MD
Sherlock S. Gillet	Pres./Director		Water Treatment & Controls Company Towson, MD
Sherlock S. Gillet	Pres./Director		Peoples Water Service Co. of Maryland, Inc. Towson, MD
Sherlock S. Gillet Jr.	Vice Pres./ Director		The Peoples Water Service Company Towson, MD
Sherlock S. Gillet Jr.	Vice President		Water Treatment & Controls Company Towson, MD
Sherlock S. Gillet Jr.	Vice Pres./ Director		Peoples Water Service Co. of MD, Inc. Towson, MD
Gerald H. Matson	Sec.-Treas./ Director		The Peoples Water Service Company Towson, MD
Gerald H. Matson	Secretary- Treasurer		Water Treatment & Controls Company Towson, MD
Gerald H. Matson	Sec.-Treas./ Director		Peoples Water Service Co. of Maryland, Inc. Towson, MD

YEAR OF REPORT
December 31, 2005

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

**BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT-PRODUCT
RESULT OF PROVIDING WATER OR WASTEWATER SERVICE**

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCOUNT NUMBER (c)	REVENUES GENERATED (d)	ACCOUNT NUMBER (e)	EXPENSES INCURRED (f)	ACCOUNT NUMBER (g)
NONE	\$	\$	\$			

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any on 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, and 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	-material and supplies furnished
-computer services	-leasing of structures, land, and equipment
-engineering & construction services	-rental transactions
-repairing and servicing of equipment	-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 (S)old (d)	AMOUNT (e)
Clifton Gunderson, LLP	Accounting	Annual	P	\$ 6,700

YEAR OF REPORT
December 31, 2005

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

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
 -write-off 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 reported. (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)
SEE PAGE E-7		\$	\$	\$	

FINANCIAL SECTION

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 10,658,556	\$ 11,261,340
108-110	Less: Accumulated Depreciation and Amortization	F-8	5,497,889	5,738,043
Net Plant			\$ 5,160,667	\$ 5,523,297
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 5,160,667	\$ 5,523,297
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	1,125	1,125
126-127	Special Funds	F-10		
Total Other Property & Investments			\$ 1,125	\$ 1,125
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 61,166	\$ 198,488
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds		5,500	6,000
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	119,119	98,139
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Material and Supplies		44,660	48,052
161	Stores Expense			
162	Prepayments		138,374	25,026
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues		233,694	238,771
174	Miscellaneous Current and Accrued Assets	F-12	7,242	4,925
Total Current and Accrued Assets			\$ 609,754	\$ 619,401

* Not Applicable for Class B Utilities

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Miscellaneous Deferred Debits	F-14	_____	_____
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		_____	_____
	Total Deferred Debits		\$ _____	\$ _____
	TOTAL ASSETS AND OTHER DEBITS		\$ <u>5,771,546</u>	\$ <u>6,143,823</u>

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 100	\$ 100
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		2,627,503	2,627,503
212	Discount On Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	153,142	319,416
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 2,780,745	\$ 2,947,019
LONG TERM DEBT				
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt			\$ _____	\$ _____
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		247,015	182,340
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18		
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		129,855	123,951
236	Accrued Taxes	W/S-3	79,989	136,186
237	Accrued Interest	F-19	3,418	3,567
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	35,909	107,647
Total Current & Accrued Liabilities			\$ 496,186	\$ 553,691

* Not Applicable for Class B Utilities

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	\$ _____	\$ _____
253	Other Deferred Credits	F-21	\$ _____	\$ _____
255	Accumulated Deferred Investment Tax Credits		\$ _____	\$ _____
Total Deferred Credits			\$ _____	\$ _____
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		\$ _____	\$ _____
263	Pensions and Benefits Reserve		\$ _____	\$ _____
265	Miscellaneous Operating Reserves		\$ _____	\$ _____
Total Operating Reserves			\$ _____	\$ _____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ 3,403,167	\$ 3,634,126
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	1,212,302	1,293,019
Total Net C.I.A.C.			\$ 2,190,865	\$ 2,341,107
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 303,750	\$ 302,006
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		\$ _____	\$ _____
283	Accumulated Deferred Income Taxes - Other		\$ _____	\$ _____
Total Accumulated Deferred Income Tax			\$ 303,750	\$ 302,006
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 5,771,546	\$ 6,143,823

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 3,090,343	\$ 3,038,839
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 3,090,343	\$ 3,038,839
401	Operating Expenses	F-3(b)	\$ 2,062,348	\$ 2,194,897
403	Depreciation Expense:	F-3(b)	\$ 309,726	\$ 346,610
	Less: Amortization of CIAC	F-22	72,460	80,717
Net Depreciation Expense			\$ 237,266	\$ 265,893
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	276,775	297,389
409	Current Income Taxes	W/S-3	152,318*	108,807
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			\$ 2,728,707	\$ 2,866,986
Net Utility Operating Income			\$ 361,636	\$ 171,853
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others		1,800	1,800
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)]			\$ 363,436*	\$ 173,653

* See footnote on page F-4(b)

* For each account, Column e should agree with Columns f, g and h on F-3(b)

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ 3,038,839	\$ _____	\$ _____
\$ 3,038,839	\$ _____	\$ _____
\$ 2,194,897	\$ _____	\$ _____
346,610	_____	_____
80,717	_____	_____
\$ 265,893	\$ _____	\$ _____
_____	_____	_____
297,389	_____	_____
108,807	_____	_____
_____	_____	_____
_____	_____	_____
\$ 2,866,986	\$ _____	\$ _____
\$ 171,853	\$ _____	\$ _____
_____	_____	_____
1,800	_____	_____
_____	_____	_____
\$ 173,653	\$ _____	\$ _____

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

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ 363,436	\$ 173,653
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$	\$
416	Costs & Expenses of Merchandising Jobbing, and Contract Work			
419	Interest and Dividend Income		1,794	2,708
421	Nonutility Income		75,382	73,823
426	Miscellaneous Nonutility Expenses			
Total Other Income and Deductions			\$ 77,176	\$ 76,531
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income		\$	\$
409.20	Income Taxes		20,869	26,694
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			\$ 20,869	\$ 26,694
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 6,532	\$ 7,216
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			\$ 6,532	\$ 7,216
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$	\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items			\$	\$
NET INCOME			\$ 413,211	\$ 216,274

Explain Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ 11,261,340	\$
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	5,738,043	
110	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	3,634,126	
252	Advances for Construction	F-20		
Subtotal			\$ 1,889,171	\$
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	1,293,019	
Subtotal			\$ 3,182,190	\$
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		89,640	
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 3,271,830	\$
NET UTILITY OPERATING INCOME			\$ 173,653	\$
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			5.31%	

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (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.

PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

Footnote for Florida PSC Annual Report

The company suffered substantial damage from Hurricane Ivan in September 2004. Attempting to make immediate repairs and restore water service to its customers forced the utility to delay substantial planned improvements and modifications to plant and equipment until 2005.

Throughout 2005 the company still experienced abnormal service work loads as to turn on - turn off requests, re-reads and broken water mains as repairs to customers' homes continued. The devastation was so extensive and labor in short supply that many roofs still are covered with blue tarps, which were installed by the Federal Emergency Management Association (FEMA).

The company anticipated it would invest in excess of \$130,000 on various delayed capital improvement projects during 2005, which would result in the utility earning below its authorized range of returns in 2005. These delayed 2004 improvements include -- replacing service lines, mains, and SCADA operating equipment, installing a radio read meter system, and rehabilitating a ground storage tank and also an elevated storage tank. The new SCADA equipment was operating in January 2005. The radio read meter system was operating in March 2005.

In addition, the company recorded adjustments in April 2004 to corporate federal and state income taxes for the fiscal year ended August 31, 2003. These adjustments for overaccrual of 2003 income taxes amounted to \$44,140 and were included in Current Income Taxes (409) on Page F-3(a) of this report. If these tax adjustments would not have been recognized, 2004 income taxes would have been \$44,140 more than reflected, Net Utility Operating Income would have been less that same amount, or \$319,296, and the Achieved Rate of Return would have been only 10.30%.

The combination of the income tax adjustment and the 2004 delayed capital improvements reduces the 2004 achieved rate of return to approximately 9.9%.

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**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	\$ _____	_____	_____	_____
Preferred Stock	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____
Tax Credits - Zero Cost	_____	_____	_____	_____
Tax Credits - Weighted Cost	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____
Total	\$ _____	_____		_____

(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: _____ %
Commission order approving Return on Equity: _____

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate: _____ %
Commission order approving AFUDC rate: _____

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING**

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON- JURISDICTIONAL ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE (g)
Common Equity	\$	\$	\$	\$	\$	\$ 0
Preferred Stock						0
Long Term Debt						0
Customer Deposits						0
Tax Credits - Zero Cost						0
Tax Credits - Weighted Cost						0
Deferred Inc. Taxes						0
Other (Explain)						0
Total	\$	\$	\$	\$	\$	\$

(1) Explain below all adjustments made in Columns (e) and (f):

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**UTILITY PLANT
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ 11,218,166	\$ _____	\$ _____	\$ 11,218,166
102	Utility Plant Leased to Other	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work in Progress	43,174	_____	_____	43,174
106	Completed Construction Not Classified	_____	_____	_____	_____
	Total Utility Plant	<u>\$ 11,261,340</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 11,261,340</u>

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

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Plant Acquisition Adjustments	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Accumulated Amortization	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
	Net Acquisition Adjustments	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>

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

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ 5,497,889	\$	\$	\$ 5,497,889
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 346,610	\$	\$	\$ 346,610
Account 108.2 (2)	_____	_____	_____	_____
Account 108.3 (2)	_____	_____	_____	_____
Other Accounts (specify):				
_____	_____	_____	_____	_____
Salvage	_____	_____	_____	_____
Other Credits (Specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits	\$ 346,610	\$	\$	\$ 346,610
Debits during year:				
Book cost of plant retired	106,456	_____	_____	106,456
Cost of Removal	_____	_____	_____	_____
Other Debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$ 106,456	\$	\$	\$ 106,456
Balance end of year	\$ <u>5,738,043</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>5,738,043</u>
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$	\$	\$	\$
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	\$	\$	\$	\$
Other Accounts (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total credits	\$	\$	\$	\$
Debits during year:				
Book cost of plant retired	_____	_____	_____	_____
Other debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$	\$	\$	\$
Balance end of year	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>

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

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**REGULATORY COMMISSION EXPENSE
AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
_____	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
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)
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
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): _____ _____	\$ _____ _____
Total Special Deposits	\$ _____
OTHER SPECIAL DEPOSITS (Account 133): _____ _____	\$ _____ _____
Total Other Special Deposits	\$ _____

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

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):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Investment in Associated Companies		\$ <u>0</u>
UTILITY INVESTMENTS (Account 124):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Utility Investment		\$ <u>0</u>
OTHER INVESTMENTS (Account 125):		
STOCK	\$ _____	\$ 1,125
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Investment		\$ <u>1,125</u>
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127):		\$ _____
_____		_____
_____		_____
_____		_____
_____		_____
Total Special Funds		\$ <u>0</u>

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in
 Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 98,139	
Wastewater	_____	
Other	_____	
Total Customer Accounts Receivable		\$ 98,139
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Other Accounts Receivable		\$ _____
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	
_____	_____	
_____	_____	
Total Notes Receivable		\$ _____
Total Accounts and Notes Receivable		\$ 98,139
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ _____	
Add: Provision for uncollectibles for current year	\$ _____	
Collection of accounts previously written off	_____	
Utility Accounts	_____	
Others	_____	
_____	_____	
Total Additions	\$ _____	
Deduct accounts written off during year:		
Utility Accounts	_____	
Others	_____	
_____	_____	
Total accounts written off	\$ _____	
Balance end of year		\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ 98,139

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	\$ _____

Total	\$ _____

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

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

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
MISCELLANEOUS ACCOUNTS RECEIVABLE	\$ 4,925

Total Miscellaneous Current and Accrued Liabilities	\$ 4,925

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251**

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ <u>_____</u>	\$ <u>_____</u>
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ <u>_____</u>	\$ <u>_____</u>

**EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ <u>_____</u>

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

**MISCELLANEOUS DEFERRED DEBITS
ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ <u>_____</u>	\$ <u>_____</u>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ <u>_____</u>	\$ <u>_____</u>
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Assets	\$ <u>_____</u>	\$ <u>_____</u>
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ <u>_____</u>	\$ <u>_____</u>

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	1 %	\$ 100
Shares authorized		1,000
Shares issued and outstanding		100
Total par value of stock issued		\$ 100
Dividends declared per share for year	500 %	\$ 50,000
PREFERRED STOCK		
Par or stated value per share		\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued		\$
Dividends declared per share for year		\$

* Account 204 not applicable for Class B utilities.

**BONDS
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$

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

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ 153,142
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	\$ 216,274
436	Appropriations of Retained Earnings:	_____
	_____	_____
	Total Appropriations of Retained Earnings	\$ _____
437	Dividends Declared: Preferred Stock Dividends Declared	_____
438	Common Stock Dividends Declared	50,000
	_____	_____
	Total Dividends Declared	\$ 50,000
215	Year end Balance	\$ 319,416
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	_____
	_____	_____
	_____	_____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ <u>319,416</u>
Notes to Statement of Retained Earnings:		

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**ADVANCES FROM ASSOCIATED COMPANIES
ACCOUNT 223**

Report each advance separately.

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

**OTHER LONG-TERM DEBT
ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
_____	%	_____	\$ _____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
_____	%	_____	_____
Total			\$ _____

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

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

**NOTES PAYABLE
ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232):			\$
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
Total Account 232			\$ _____
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			\$
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
_____	%		_____
Total Account 234			\$ _____

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

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
ACCOUNT 233**

Report each account payable separately.

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

PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

UTILITY NAME:

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

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$	\$		\$	
Total Account 237.1	\$ 0	\$		\$	0
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities	\$			\$	
Customer Deposits	3,418	427	7,216	7,067	3,567
Total Account 237.2	\$ 3,418		7,216	\$ 7,067	\$ 3,567
Total Account 237 (1)	\$ 3,418		7,216	\$ 7,067	\$ 3,567
INTEREST EXPENSED:					
Total accrual Account 237		237	7,216		
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)			7,216		

(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

YEAR OF REPORT
December 31, 2005

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241**

(a) DESCRIPTION - Provide itemized listing	BALANCE END OF YEAR (b)
ACCRUED EXPENSES	\$ 107,647
Total Miscellaneous Current and Accrued Liabilities	\$ 107,647

**ADVANCES FOR CONSTRUCTION
ACCOUNT 252**

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

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

**OTHER DEFERRED CREDITS
ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 3,403,167	\$ _____	\$ _____	\$ 3,403,167
Add credits during year:	\$ 230,959	\$ _____	\$ _____	\$ 230,959
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ <u>3,634,126</u>	\$ _____	\$ _____	\$ <u>3,634,126</u>

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

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 1,212,302	\$ _____	\$ _____	\$ 1,212,302
Debits during the year:	\$ 80,717	\$ _____	\$ _____	\$ 80,717
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u>1,293,019</u>	\$ _____	\$ _____	\$ <u>1,293,019</u>

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

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 tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.
- 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, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ 216,274
Reconciling items for the year:		
Taxable income not reported on books:		
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
50% of business meals		114
Federal income tax		116,082
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ 332,470
Computation of tax: 34% x \$332,470 =		
		\$ 113,040
Deduct previous fiscal year's underaccrual adjustment		3,042
Total		116,082

**WATER
OPERATION
SECTION**

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

WATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned a group number. Each individual system which has not been consolidated should be assigned its own group number.

The water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-14) must be filed for each system in the group.

All of the following water pages (W-2 through W-14) should be completed for each group and arranged by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.	543-W	WU 671
ESCAMBIA COUNTY		

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

SYSTEM NAME / COUNTY : _____

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 11,261,340
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	5,738,043
110	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	3,634,126
252	Advances for Construction	F-20	
Subtotal			\$ 1,889,171
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 1,293,019
Subtotal			\$ 3,182,190
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		89,640
	Other (Specify):		
WATER RATE BASE			\$ 3,271,830
WATER OPERATING INCOME		W-3	\$ 173,653
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			5.31%

- NOTES : (1) Estimate based on the methodology used in the last rate proceeding.
- (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.

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : _____

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
400	UTILITY OPERATING INCOME Operating Revenues	W-9	\$ 3,038,839
469	Less: Guaranteed Revenue and AFPI	W-9	
Net Operating Revenues			\$ 3,038,839
401	Operating Expenses	W-10(a)	\$ 2,194,897
403	Depreciation Expense	W-6(a)	346,610
	Less: Amortization of CIAC	W-8(a)	80,717
Net Depreciation Expense			\$ 265,893
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		136,748
408.11	Property Taxes		102,165
408.12	Payroll Taxes		52,458
408.13	Other Taxes and Licenses		6,018
408	Total Taxes Other Than Income		\$ 297,389
409.1	Income Taxes		108,807
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			\$ 2,866,986
Utility Operating Income			\$ 171,853
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$
413	Income From Utility Plant Leased to Others		1,800
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
Total Utility Operating Income			\$ 173,653

YEAR OF REPORT
December 31, 2005

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

SYSTEM NAME / COUNTY: _____

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	104,055			104,055
304	Structures and Improvements	368,364	12,251		380,615
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	538,863			538,863
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	617,527	77,781		695,308
320	Water Treatment Equipment	669,075	16,733	13,961	671,847
330	Distribution Reservoirs and Standpipes	854,727	142,888		997,615
331	Transmission and Distribution Mains	3,730,632	130,921	5,655	3,855,898
333	Services	1,752,418	39,832		1,792,250
334	Meters and Meter Installations	655,367	145,924	16,058	785,233
335	Hydrants	638,567	16,334		654,901
336	Backflow Prevention Devices	87,517			87,517
339	Other Plant Miscellaneous Equipment	678			678
340	Office Furniture and Equipment	84,763	31,116	2,294	113,585
341	Transportation Equipment	254,483	79,389	72,282	261,590
342	Stores Equipment	2,798			2,798
343	Tools, Shop and Garage Equipment	11,396			11,396
344	Laboratory Equipment				
345	Power Operated Equipment	209,651	10,839		220,490
346	Communication Equipment	33,717	9,810		43,527
347	Miscellaneous Equipment				
348	Other Tangible Plant				
TOTAL WATER PLANT		\$ 10,614,598	\$ 713,818	\$ 110,250	\$ 11,218,166

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

W-4(a)
GROUP _____

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

SYSTEM NAME / COUNTY :

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	104,055		23,446			80,609
304	Structures and Improvements	380,615		2,933	22,384	161,092	194,206
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs	538,863		538,863			
308	Infiltration Galleries and Tunnels						
309	Supply Mains						
310	Power Generation Equipment			695,308			
311	Pumping Equipment	695,308			671,847		
320	Water Treatment Equipment	671,847					
330	Distribution Reservoirs and Standpipes	997,615				997,615	
331	Transmission and Distribution Mains	3,855,898				3,855,898	
333	Services	1,792,250				1,792,250	
334	Meters and Meter Installations	785,233				785,233	
335	Hydrants	654,901				654,901	
336	Backflow Prevention Devices	87,517				87,517	
339	Other Plant Miscellaneous Equipment	678	678				113,585
340	Office Furniture and Equipment	113,585					261,590
341	Transportation Equipment	261,590					2,798
342	Stores Equipment	2,798					11,396
343	Tools, Shop and Garage Equipment	11,396					220,490
344	Laboratory Equipment						43,527
345	Power Operated Equipment	220,490					
346	Communication Equipment	43,527					
347	Miscellaneous Equipment						
348	Other Tangible Plant						
TOTAL WATER PLANT		\$ 11,218,166	\$ 678	\$ 1,260,550	\$ 694,231	\$ 8,334,506	\$ 928,201

W-4(b)
GROUP _____

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

SYSTEM NAME / COUNTY : _____

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements	20 - 40		5.0 - 2.5
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	25		4.0
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	5 - 20		20.0 - 5.0
320	Water Treatment Equipment	10 - 20		10.0 - 5.0
330	Distribution Reservoirs and Standpipes	15 & 50		6.7 & 2.0
331	Transmission and Distribution Mains	50		2.0
333	Services	25		4.0
334	Meters and Meter Installations	15		6.7
335	Hydrants	40		2.5
336	Backflow Prevention Devices	10		10.0
339	Other Plant Miscellaneous Equipment	20		5.0
340	Office Furniture and Equipment	4 & 10		25.0 & 10.0
341	Transportation Equipment	5		20.0
342	Stores Equipment	10		10.0
343	Tools, Shop and Garage Equipment	5		20.0
344	Laboratory Equipment	10		10.0
345	Power Operated Equipment	3 - 10		33.333 - 10.0
346	Communication Equipment	5		20.0
347	Miscellaneous Equipment	5 - 10		20.0 - 10.0
348	Other Tangible Plant			
Water Plant Composite Depreciation Rate *			NONE	

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

YEAR OF REPORT
December 31, 2005

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

SYSTEM NAME / COUNTY : _____

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS* (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 192,395	\$ 9,866		\$ 9,866
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs	409,590	19,113		19,113
308	Infiltration Galleries and Tunnels				0
309	Supply Mains				0
310	Power Generation Equipment				0
311	Pumping Equipment	438,828	26,606		26,606
320	Water Treatment Equipment	581,305	9,019		9,019
330	Distribution Reservoirs and Standpipes	272,009	21,560		21,560
331	Transmission and Distribution Mains	1,549,778	84,225		84,225
333	Services	1,091,519	58,721		58,721
334	Meters and Meter Installations	332,405	36,441		36,441
335	Hydrants	241,515	16,404		16,404
336	Backflow Prevention Devices	72,455	1,546		1,546
339	Other Plant Miscellaneous Equipment	678			0
340	Office Furniture and Equipment	39,217	8,491		8,491
341	Transportation Equipment	172,874	35,629		35,629
342	Stores Equipment	2,557	108		108
343	Tools, Shop and Garage Equipment	10,430	177		177
344	Laboratory Equipment				0
345	Power Operated Equipment	57,358	17,134		17,134
346	Communication Equipment	32,976	1,570		1,570
347	Miscellaneous Equipment				0
348	Other Tangible Plant				0
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 5,497,889	\$ 346,610		\$ 346,610

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

W-6(a)
GROUP _____

YEAR OF REPORT
December 31, 2005

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

SYSTEM NAME / COUNTY: _____

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)	BALANCE AT END OF YEAR (c+f-j)
304	Structures and Improvements	\$	\$	\$	\$	\$ 202,261
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					428,703
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					
311	Pumping Equipment					465,434
320	Water Treatment Equipment	13,961			13,961	576,363
330	Distribution Reservoirs and Standpipes					293,569
331	Transmission and Distribution Mains	5,655			5,655	1,628,348
333	Services					1,150,240
334	Meters and Meter Installations	16,058			16,058	352,788
335	Hydrants					257,919
336	Backflow Prevention Devices					74,001
339	Other Plant Miscellaneous Equipment					678
340	Office Furniture and Equipment	2,294			2,294	45,414
341	Transportation Equipment	68,488			68,488	140,015
342	Stores Equipment					2,665
343	Tools, Shop and Garage Equipment					10,607
344	Laboratory Equipment					
345	Power Operated Equipment					74,492
346	Communication Equipment					
347	Miscellaneous Equipment					34,546
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 106,456	\$	\$	\$ 106,456	\$ 5,738,043

W-6(b)
GROUP _____

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT December 31, 2005
--

SYSTEM NAME / COUNTY : _____

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ 3,403,167
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 70,477
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	160,482
Total Credits		\$ 230,959
Less debits charged during the year (All debits charged during the year must be explained below)		\$ 0
Total Contributions In Aid of Construction		\$ 3,634,126

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: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : _____

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)
5/8" Low Hazard	61	\$ _____	\$ 41,055
1" Low Hazard	3	_____	4,290
5/8" Relocation	6	_____	799
6" Low Hazard	1	_____	24,333
Total Credits			\$ <u>70,477</u>

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 1,212,302
Debits during the year:	
Accruals charged to Account 272	\$ 80,717
Other debits (specify):	_____

Total debits	\$ _____
Credits during the year (specify):	
	\$ _____

Total credits	\$ _____
Balance end of year	\$ <u>1,293,019</u>

W-8(a)
GROUP _____

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : _____

WATER CIAC SCHEDULE "B"
ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION
RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS
WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
Consumer Meters	Cash	\$ 10,153.00
Sorrento Plaza	Property	45,356.00
Leeward Phase I	Property	103,350.00
Leeward Reimbursement	Cash	1,623.00
Total Credits		\$ 160,482.00

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : _____

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$
461.1	Metered Water Revenue: Sales to Residential Customers	8,262	8,360	1,967,477
461.2	Sales to Commercial Customers	523	501	302,726
461.3	Sales to Industrial Customers			
461.4	Sales to Public Authorities	28	27	40,629
461.5	Sales Multiple Family Dwellings	3,087	3,074	595,622
Total Metered Sales		11,900	11,962	\$ 2,906,454
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection	28	29	0
Total Fire Protection Revenue		28	29	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers	36	37	10,291
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		11,964	12,028	\$ 2,916,745
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues/Reconnects \$106,188&Backflow \$15,906			122,094
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 122,094
Total Water Operating Revenues				\$ 3,038,839

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

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : _____

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	\$ 547,867	\$ 40,037	\$ 8,602
603	Salaries and Wages - Officers, Directors and Majority Stockholders			
604	Employee Pensions and Benefits	119,717		
610	Purchased Water			
615	Purchased Power	158,622	158,622	
616	Fuel for Power Production	618	618	
618	Chemicals	34,267		
620	Materials and Supplies	280,840		44,851
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	6,700		
633	Contractual Services - Legal	177,645		
634	Contractual Services - Mgt. Fees	476,274		
635	Contractual Services - Testing	23,879		
636	Contractual Services - Other	144,630		
641	Rental of Building/Real Property			
642	Rental of Equipment			
650	Transportation Expenses	48,939		
656	Insurance - Vehicle	25,369		
657	Insurance - General Liability	22,706		
658	Insurance - Workman's Comp.	21,513		
659	Insurance - Other	24,281		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	20,811		
675	Miscellaneous Expenses	60,219		
Total Water Utility Expenses		\$ 2,194,897	\$ 199,277	\$ 53,453

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : _____

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)
\$ 22,763	\$	\$ 54,769	\$	\$ 421,696	\$
					119,717
34,267					
127	25,172	7,708	178,451	24,531	
					6,700
					177,645
23,879					476,274
				144,630	
					x 48,939
					25,369
					22,706
					21,513
					24,281
				20,811	
					60,219
\$ 81,036	\$ 25,172	\$ 62,477	\$ 178,451	\$ 611,668	\$ 983,363

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA INC.

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : _____

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	0	75,263	1,893	73,370	58,835
February	0	68,226	851	67,375	46,037
March	0	74,256	1,935	72,321	60,141
April	0	73,602	2,415	71,187	58,671
May	0	89,794	3,401	86,393	60,123
June	0	82,697	2,813	79,884	77,166
July	0	86,510	4,307	82,230	72,391
August	0	84,262	4,602	79,660	57,317
September	0	88,753	2,584	86,169	77,033
October	0	90,577	3,392	87,185	67,386
November	0	75,840	8,144	67,696	61,180
December	0	70,752	7,212	63,540	62,118
Total for Year	0	960,532	43,549	916,983	758,398

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:

SOURCE OF SUPPLY

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

W-11
GROUP _____
SYSTEM _____

UTILITY NAME:

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY :

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	_____	
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	_____	
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	_____	
	LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon):	_____	Manufacturer: _____
	FILTRATION	
Type and size of area:		
Pressure (in square feet):	_____	Manufacturer: _____
Gravity (in GPM/square feet):	_____	Manufacturer: _____

See Detail W12 (b) through W-12(f)

W-12 (a)
GROUP _____
SYSTEM _____

UTILITY NAME:

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY:

WELL SITE NO 3

ESCAMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):

1,440,000 GPD

Location of measurement of capacity
(i.e. Wellhead, Storage Tank):

WELLHEAD

Type of treatment (reverse osmosis,
sedimentation, chemical, aerated, etc.):

PRIMARY TREATMENT AND CORROSION CONTROL

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon):

25.0 - 33.5 PPM

Manufacturer:

CHENE LIME & CEMENT CO

FILTRATION

Type and size of area: GRANULAR ACTIVATED CARBON AND 12 FT x 12.75 FT AREA

Pressure (in square feet):

.868 LB/SQ FT

Manufacturer:

CALGON CARBON CORPORATION

Gravity (in GPM/square feet):

N/A

Manufacturer:

N/A

W-17(b)

GROUP

SYSTEM

UTILITY NAME:

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY :

WELL SITE NO 4

ESACMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,440,000 GPD</u>		
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>WELLHEAD</u>		
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>PRIMARY TREATMENT AND CORROSION CONTROL</u>		
	LIME TREATMENT		
Unit rating (i.e., GPM, pounds per gallon): <u>25.0 - 33.5 PPM</u>	Manufacturer:	<u>CHENEY LIME & CEMENT CO</u>	
	FILTRATION		
Type and size of area: <u>N/A</u>			
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>	

W-17 (c)

GROUP _____

SYSTEM _____

UTILITY NAME:

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY :

WELL SITE NO 5

ESCAMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):

1,440,000 GPD

Location of measurement of capacity
(i.e. Wellhead, Storage Tank):

WELLHEAD

Type of treatment (reverse osmosis,
sedimentation, chemical, aerated, etc.):

PRIMARY TREATMENT AND CORROSION CONTROL

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon):

25.0 - 33.5 PPM

Manufacturer:

CHENEY LIME & CEMENT CO

FILTRATION

Type and size of area:

GRANULAR ACTIVATED CARBON AND 10 FT x 12.75 FT AREA

Pressure (in square feet):

.868 LB/SQ FT

Manufacturer:

CALGON CARBON CORPORATION

Gravity (in GPM/square feet):

N/A

Manufacturer:

N/A

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY: WELL SITE NO 8 ESCAMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,036,800 GPD</u>		
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>WELLHEAD</u>		
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):	<u>PRIMARY TREATMENT AND CORROSION CONTROL</u>		
LIME TREATMENT			
Unit rating (i.e., GPM, pounds per gallon):	<u>25.0 - 33.5 PPM</u>	Manufacturer:	<u>CHENEY LIME & CEMENT CO</u>
FILTRATION			
Type and size of area:	<u>N/A</u>		
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:

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY :

WELL SITE NO 9

ESCAMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	<u>1,440,000 GPD</u>		
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	<u>WELLHEAD</u>		
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	<u>PRIMARY TREATMENT AND CORROSION CONTROL</u>		
LIME TREATMENT			
Unit rating (i.e., GPM, pounds per gallon):	<u>25.0 - 33.5 PPM</u>	Manufacturer:	<u>CHENEY LIME & CEMENT CO</u>
FILTRATION			
Type and size of area:	<u>N/A</u>		
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: PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : _____

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0	8,785	8,785
3/4"	Displacement	1.5		
1"	Displacement	2.5	274	685
1 1/2"	Displacement or Turbine	5.0	95	475
2"	Displacement, Compound or Turbine	8.0	34	272
3"	Displacement	15.0	4	60
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	8	200
4"	Turbine	30.0		
6"	Displacement or Compound	50.0	24	1,200
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0	5	450
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				12,127

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 = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

ERC Calculation:

$$758,398,000 \text{ GAL SOLD} / 365 \text{ DAYS} / 350 \text{ GPD} = 5,937 \text{ ERC}$$

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2005

SYSTEM NAME / COUNTY : _____

OTHER WATER SYSTEM INFORMATION

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

- 1. Present ERC's * the system can efficiently serve. 19,419 * Based on NWFWD max gal/day
- 2. Maximum number of ERCs * which can be served. 19,419
- 3. Present system connection capacity (in ERCs *) using existing lines. 15,000 (guesstimate)
- 4. Future connection capacity (in ERCs *) upon service area buildout. 25,000 (guesstimate)
- 5. Estimated annual increase in ERCs *. 200 (guesstimate)
- 6. Is the utility required to have fire flow capacity? YES
If so, how much capacity is required? 150 MINIMUM
- 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. _____

- 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: N/A
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules. N/A
 - b. Have these plans been approved by DEP? N/A
 - c. When will construction begin? N/A
 - d. Attach plans for funding the required upgrading. N/A
 - e. Is this system under any Consent Order with DEP? NO
- 11. Department of Environmental Protection ID # 1170527
- 12. Water Management District Consumptive Use Permit # 830018
 - 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? N/A

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

WASTEWATER OPERATING SECTION

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

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

Company: PEOPLES WATER SERVICE COMPANY OF FLORIDA INC.
For the Year Ended December 31, 2005

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ _____	\$ _____	\$ _____
Total Metered Sales (461.1 - 461.5)	2,906,454	2,906,454	0
Total Fire Protection Revenue (462.1 - 462.2)	_____	_____	_____
Other Sales to Public Authorities (464)	_____	_____	_____
Sales to Irrigation Customers (465)	10,291	10,291	0
Sales for Resale (466)	_____	_____	_____
Interdepartmental Sales (467)	_____	_____	_____
Total Other Water Revenues (469 - 474)	122,094	122,094	0
Total Water Operating Revenue	\$ 3,038,839	\$ 3,038,839	\$ 0
LESS: Expense for Purchased Water from FPSC-Regulated Utility	0	0	0
Net Water Operating Revenues	\$ 3,038,839	\$ 3,038,839	\$ 0

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).