

CLASS "A" OR "B"

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

ANNUAL REPORT

OF

WU671-07-AR
Peoples Water Service Company of Florida, Inc.
409 Washington Avenue, Suite 310
Towson, MD 21204-4971

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



09 MAR 31 AM 10:35
FOR THE SECRETARY OF
PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2007

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1996 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added, provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems."
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
14. The report should be filled out in quadruplicate and the original and two copies returned by March 31, of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Economic Regulation
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The fourth copy should be retained by the utility.

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EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

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

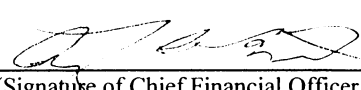
- | | | |
|--|--------------------------------|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | 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"/>


 _____ 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"/>


 _____ Controller
 (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
12/31/2007

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 aboehk@peopleswater.net

WEB Site:

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

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

Sherlock S. Gillet Jr, Vice President or Anthony A. Boehk, Controller
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 Lownd Avenue, Pensacola, Florida 32507
Telephone: 410-825-3722 (MD) or 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.	The Peoples Water Service Company	100%
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

**DIRECTORY OF PERSONNEL WHO CONTACT
THE FLORIDA PUBLIC SERVICE COMMISSION**

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Sherlock S. Gillet	President	Towson, Maryland	Finance & Operations
Sherlock S. Gillet Jr	Vice President	Towson, Maryland	Finance & Operations
Anthony A. Boehk	Controller	Towson, Maryland	Accounting & Finance
R. Mark Cross	Manager	Pensacola, FL	Customers & Operations
James E. Ogle	Assistant to the Manager	Pensacola, FL	Customers & Operations
Robert A. Emmanuel	Attorney	850-433-6581	Legal Matters
F. Marshall Deterding	Attorney	850-877-6555	Accounting & Legal Matters
Martin S. Friedman	Attorney	850-877-6555	Accounting & Legal Matters

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

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, 2007

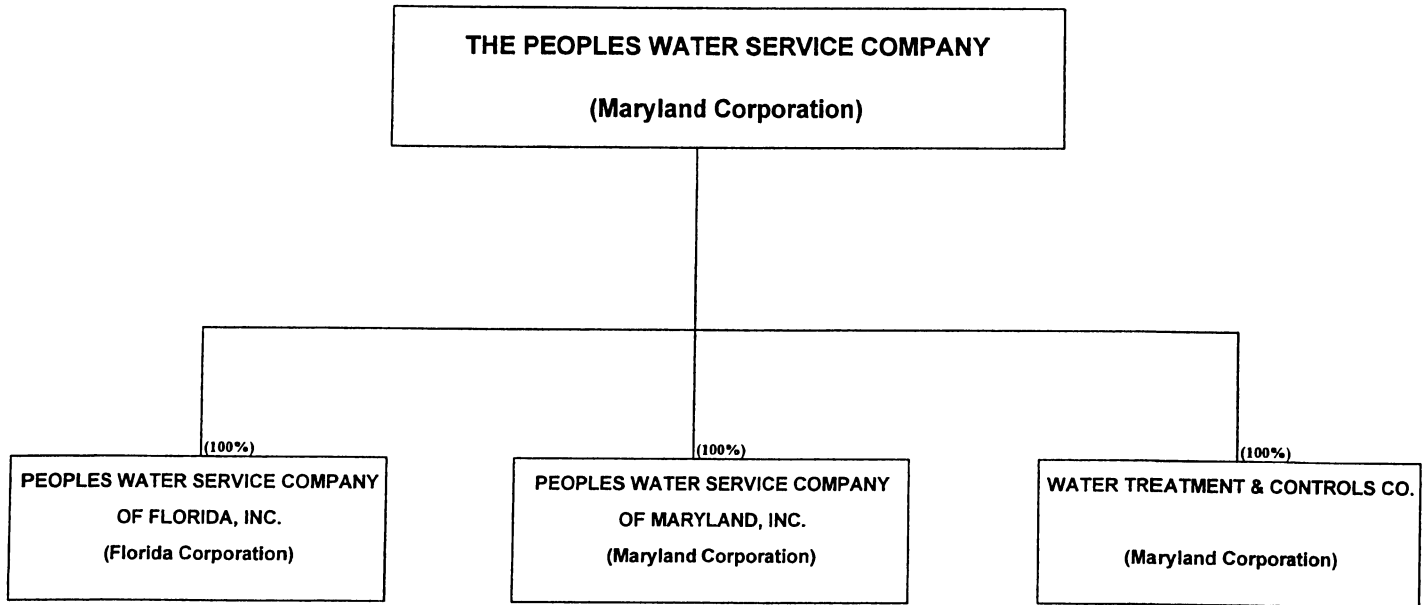
PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/07

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%	\$ 162,790
Sherlock S. Gillet Jr	Vice President	29%	118,566
Gerald H. Matson	Secretary- Treasurer	29%	42,500

COMPENSATION OF DIRECTORS

For each director, list the number of directors' 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

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	\$ 560,164	409 Washington Ave. Suite 310 Towson, Maryland 21204
Peoples Water Service Company of Maryland, Inc.	Computer Service	150,181	409 Washington Ave. Suite 310 Towson, Maryland 21204
Water Treatment & Controls Company	Equipment, Parts & Service	32,146	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.

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principal 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)	PRINCIPAL 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, Maryland
Sherlock S. Gillet	Pres./Director		Water Treatment & Controls Company Towson, Maryland
Sherlock S. Gillet	Pres./Director		Peoples Water Service Co. of Maryland, Inc. Towson, Maryland
Sherlock S. Gillet Jr.	Vice President Director		The Peoples Water Service Company Towson, Maryland
Sherlock S. Gillet Jr.	Vice President		Water Treatment & Controls Company Towson, Maryland
Sherlock S. Gillet Jr.	Vice President Director		Peoples Water Service Co. of Maryland, Inc. Towson, Maryland
Gerald H. Matson	Sec.-Treas./ Director		The Peoples Water Service Company Towson, Maryland
Gerald H. Matson	Secretary- Treasurer		Water Treatment & Controls Company Towson, Maryland
Gerald H. Matson	Sec.-Treas./ Director		Peoples Water Service Co. of Maryland, Inc. Towson, Maryland

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
12/31/2007

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

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

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	\$ _____		\$ _____		\$ _____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
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	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	
	_____		_____		_____	

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
12/31/2007

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
 - computer services
 - engineering & construction services
 - repairing and servicing of equipment
 - material and supplies furnished
 - leasing of structures, land, and equipment
 - rental transactions
 - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased (S)old (d)	AMOUNT (e)
Clifton Gunderson, LLP	Accounting	Annual	P	\$ 6,800

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
12/31/2007

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		\$	\$	\$	\$

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

**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	\$ 11,905,776	\$ 12,300,218
108-110	Less: Accumulated Depreciation and Amortization	F-8	6,009,941	6,365,254
Net Plant			\$ 5,895,835	\$ 5,934,964
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116 *	Other Utility Plant Adjustments			
Total Net Utility Plant			\$ 5,895,835	\$ 5,934,964
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		\$ 88,610	\$ 58,502
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds		6,000	6,000
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	65,141	57,989
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Material and Supplies		56,084	50,461
161	Stores Expense			
162	Prepayments		24,298	31,562
171	Accrued Interest and Dividends Receivable			
172 *	Rents Receivable			
173 *	Accrued Utility Revenues		249,085	245,972
174	Miscellaneous Current and Accrued Assets	F-12	45,296	12,337
Total Current and Accrued Assets			\$ 534,514	\$ 462,823

* Not Applicable for Class B Utilities

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

**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>6,431,474</u>	\$ <u>6,398,912</u>

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

**COMPARATIVE BALANCE SHEET
EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	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	472,540	540,401
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			\$ 3,100,143	\$ 3,168,004
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		255,045	286,652
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18		
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		119,779	112,740
236	Accrued Taxes	W/S-3	104,167	98,975
237	Accrued Interest	F-19	3,611	3,761
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	192,534	114,318
Total Current & Accrued Liabilities			\$ 675,136	\$ 616,446

* Not Applicable for Class B Utilities

**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	\$ 3,746,915	\$ 3,824,525
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	1,378,017	1,465,448
Total Net CIAC			\$ 2,368,898	\$ 2,359,077
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ 287,297	\$ 255,385
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		_____	_____
283	Accumulated Deferred Income Taxes - Other		_____	_____
Total Accumulated Deferred Income Tax			\$ 287,297	\$ 255,385
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 6,431,474	\$ 6,398,912

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)	\$ 3,256,707	\$ 3,172,656
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ 3,256,707	\$ 3,172,656
401	Operating Expenses	F-3(b)	\$ 2,154,461	\$ 2,217,110
403	Depreciation Expense:	F-3(b)	\$ 392,157	\$ 448,999
	Less: Amortization of CIAC	F-22	84,998	87,431
Net Depreciation Expense			\$ 307,159	\$ 361,568
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	313,404	320,945
409	Current Income Taxes	W/S-3	179,871	104,428
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			\$ 2,954,895	\$ 3,004,051
Net Utility Operating Income			\$ 301,812	\$ 168,605
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)]			\$ 303,612	\$ 170,405

* 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.

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COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ <u>3,172,656</u>	\$ _____	\$ _____
\$ <u>3,172,656</u>	\$ _____	\$ _____
\$ <u>2,217,110</u>	\$ _____	\$ _____
<u>448,999</u> <u>87,431</u>	_____	_____
\$ <u>361,568</u>	\$ _____	\$ _____
_____ <u>320,945</u> <u>104,428</u> _____ _____ _____	_____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____
\$ <u>3,004,051</u>	\$ _____	\$ _____
\$ <u>168,605</u>	\$ _____	\$ _____
<u>1,800</u> _____ _____	_____ _____ _____	_____ _____ _____
\$ <u>170,405</u>	\$ _____	\$ _____

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

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)]			\$ 303,612	\$ 170,405
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		8,842	2,876
421	Nonutility Income		75,609	79,317
426	Miscellaneous Nonutility Expenses		_____	_____
Total Other Income and Deductions			\$ 84,451	\$ 82,193
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income		\$ _____	\$ _____
409.20	Income Taxes		29,330	29,077
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			\$ 29,330	\$ 29,077
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ 5,609	\$ 5,660
428	Amortization of Debt Discount & Expense	F-13	_____	_____
429	Amortization of Premium on Debt	F-13	_____	_____
Total Interest Expense			\$ 5,609	\$ 5,660
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		_____	_____
409.30	Income Taxes, Extraordinary Items		_____	_____
Total Extraordinary Items			\$ _____	\$ _____
NET INCOME			<u>\$ 353,124</u>	<u>\$ 217,861</u>

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	\$ 12,284,097	\$
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	6,365,254	
110	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	3,824,525	
252	Advances for Construction	F-20		
Subtotal			\$ 2,094,318	\$
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	1,465,448	
Subtotal			\$ 3,559,766	\$
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		(147,124)	
	Other (Specify): _____ _____ _____			
RATE BASE			\$ 3,412,642	\$
NET UTILITY OPERATING INCOME			\$ 170,405	\$
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			4.99%	

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.

**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.

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

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

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

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**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	\$ 12,284,097	\$ _____	\$ _____	\$ 12,284,097
102	Utility Plant Leased to Other	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work in Progress	16,121	_____	_____	16,121
106	Completed Construction Not Classified	_____	_____	_____	_____
	Total Utility Plant	\$ 12,300,218	\$ _____	\$ _____	\$ 12,300,218

**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		\$ _____	\$ _____	\$ _____	\$ _____
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
Total Accumulated Amortization		\$ _____	\$ _____	\$ _____	\$ _____
Net Acquisition Adjustments		\$ _____	\$ _____	\$ _____	\$ _____

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	\$ 6,009,941	\$	\$	\$ 6,009,941
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ 448,999	\$	\$	\$ 448,999
Account 108.2 (2)	_____	_____	_____	_____
Account 108.3 (2)	_____	_____	_____	_____
Other Accounts (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Salvage	_____	_____	_____	_____
Other Credits (Specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits	\$ 448,999	\$	\$	\$ 448,999
Debits during year:				
Book cost of plant retired	93,686	_____	_____	93,686
Cost of Removal	_____	_____	_____	_____
Other Debits (specify):	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits	\$ 93,686	\$	\$	\$ 93,686
Balance end of year	\$ <u>6,365,254</u>	\$ _____	\$ _____	\$ <u>6,365,254</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	\$ _____	\$ _____	\$ _____	\$ _____

- (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.

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**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.

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**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 _____ _____ _____ _____	\$ _____ _____ _____ _____ _____	\$ <u>1,125</u> _____ _____ _____ _____
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 12/31/2007

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		TOTAL
(a)		(b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ 57,989	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 57,989
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ _____	

Total Other Accounts Receivable		\$ _____
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	

Total Notes Receivable		\$ _____
Total Accounts and Notes Receivable		\$ 57,989
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		\$ 57,989

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

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**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)
_____	\$ 12,337
_____	_____
_____	_____
_____	_____
Total Miscellaneous Current and Accrued Liabilities	\$ 12,337

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

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	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____

**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	\$ _____	\$ _____
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____
Total Other Deferred Debits	\$ _____	\$ _____
REGULATORY ASSETS (Class A Utilities: Account. 186.3): _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____	\$ _____ _____ _____ _____ _____ _____ _____
Total Regulatory Assets	\$ _____	\$ _____
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ _____	\$ _____

**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	1,500	\$ 150,000
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.)

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

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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	\$ 472,540
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	\$ 217,861
436	Appropriations of Retained Earnings: _____ _____	_____ _____
	Total Appropriations of Retained Earnings	\$ _____
437	Dividends Declared: Preferred Stock Dividends Declared _____	_____ _____
438	Common Stock Dividends Declared _____	150,000 _____
	Total Dividends Declared	\$ 150,000
215	Year end Balance	\$ 540,401
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____ _____ _____	_____ _____ _____
214	Total Appropriated Retained Earnings	\$ _____
Total Retained Earnings		\$ 540,401
Notes to Statement of Retained Earnings:		

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

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.

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**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	\$ _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

**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	\$ <u>0</u>		\$ _____	\$ _____	\$ <u>0</u>
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities	\$ _____		\$ _____	\$ _____	_____
Customer Deposits	\$ <u>3,611</u>	427	\$ <u>5,660</u>	\$ <u>5,510</u>	\$ <u>3,761</u>
_____	_____		_____	_____	_____
_____	_____		_____	_____	_____
Total Account 237.2	\$ <u>3,611</u>		\$ <u>5,660</u>	\$ <u>5,510</u>	\$ <u>3,761</u>
Total Account 237 (1)	\$ <u>3,611</u>		\$ <u>5,660</u>	\$ <u>5,510</u>	\$ <u>3,761</u>
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ <u>5,660</u>		
Less Capitalized Interest Portion of AFUDC:					

Net Interest Expensed to Account No. 427 (2)			\$ <u>5,660</u>		

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
(2) Must agree to F-3 (c), Current Year Interest Expense

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
12/31/2007

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Accrued Expenses _____ _____ _____ _____	\$ 114,318 _____ _____ _____
Total Miscellaneous Current and Accrued Liabilities	\$ 114,318 =====

ADVANCES FOR CONSTRUCTION
ACCOUNT 252

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

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

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

**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	\$ _____	\$ _____

**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	\$ <u>3,746,915</u>	\$ _____	\$ _____	\$ <u>3,746,915</u>
Add credits during year:	\$ <u>77,610</u>	\$ _____	\$ _____	\$ <u>77,610</u>
Less debit charged during the year	\$ <u>0</u>	\$ _____	\$ _____	\$ <u>0</u>
Total Contribution In Aid of Construction	\$ <u><u>3,824,525</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>3,824,525</u></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	\$ <u>1,378,017</u>	\$ _____	\$ _____	\$ <u>1,378,017</u>
Debits during the year:	\$ <u>87,431</u>	\$ _____	\$ _____	\$ <u>87,431</u>
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ <u><u>1,465,448</u></u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u><u>1,465,448</u></u>

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)	\$ 217,861
Reconciling items for the year:		
Taxable income not reported on books:		
_____		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		
50% of Business Meals		628
Federal Income Tax		113,770
_____		_____
_____		_____
Income recorded on books not included in return:		
_____		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		
_____		_____
_____		_____
_____		_____
Federal tax net income		\$ 332,259
Computation of tax : 34% x \$332,259 =		
Deduct previous fiscal year's underaccrual adjustment		\$ 112,968 800
Unreconciled Difference	Total	\$ 113,768 2
		\$ 113,770

**WATER
OPERATION
SECTION**

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.

<u>SYSTEM NAME / COUNTY</u>	<u>CERTIFICATE NUMBER</u>	<u>GROUP NUMBER</u>
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
12/31/2007

SYSTEM NAME / COUNTY : Escambia

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)	\$ 12,284,097
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	6,365,254
110	Accumulated Amortization	F-8	
271	Contributions in Aid of Construction	W-7	3,824,525
252	Advances for Construction	F-20	
Subtotal			\$ 2,094,318
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 1,465,448
Subtotal			\$ 3,559,766
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		(147,124)
	Other (Specify):		
WATER RATE BASE			\$ 3,412,642
WATER OPERATING INCOME		W-3	\$ 170,405
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			4.99%

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 12/31/2007

SYSTEM NAME / COUNTY : Escambia

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	W-9	\$ 3,172,656
469	Less: Guaranteed Revenue and AFPI	W-9	
Net Operating Revenues			\$ 3,172,656
401	Operating Expenses	W-10(a)	\$ 2,217,110
403	Depreciation Expense	W-6(a)	448,999
	Less: Amortization of CIAC	W-8(a)	87,431
Net Depreciation Expense			\$ 361,568
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		142,770
408.11	Property Taxes		125,675
408.12	Payroll Taxes		51,967
408.13	Other Taxes and Licenses		533
408	Total Taxes Other Than Income		\$ 320,945
409.1	Income Taxes		104,428
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			\$ 3,004,051
Utility Operating Income			\$ 168,605
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			\$ 170,405

YEAR OF REPORT
12/31/2007

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY: Escambia

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	389,774	8,954		398,728
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	700,398	30,855	5,000	726,253
320	Water Treatment Equipment	678,149	8,515	8,150	678,514
330	Distribution Reservoirs and Standpipes	1,166,759	32,643		1,199,402
331	Transmission and Distribution Mains	3,900,004	37,075	7,015	3,930,064
333	Services	1,822,894	23,920		1,846,814
334	Meters and Meter Installations	1,174,327	297,520	31,431	1,440,416
335	Hydrants	657,960	7,586		665,546
336	Backflow Prevention Devices	87,517	1,307		88,824
339	Other Plant Miscellaneous Equipment	678			678
340	Office Furniture and Equipment	118,411	430	8,034	110,807
341	Transportation Equipment	274,279	29,651	27,924	276,006
342	Stores Equipment	2,798			2,798
343	Tools, Shop and Garage Equipment	14,879		2,122	12,757
344	Laboratory Equipment				
345	Power Operated Equipment	213,675	10,900	4,010	220,565
346	Communication Equipment	40,738	2,269		43,007
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	TOTAL WATER PLANT	\$ 11,886,158	\$ 491,625	\$ 93,686	\$ 12,284,097

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

YEAR OF REPORT
12/31/2007

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY: Escambia

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	398,728		3,341	30,352	165,028	200,007
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	726,253		726,253			
320	Water Treatment Equipment	678,514			678,514		
330	Distribution Reservoirs and Standpipes	1,199,402				1,199,402	
331	Transmission and Distribution Mains	3,930,064				3,930,064	
333	Services	1,846,814				1,846,814	
334	Meters and Meter Installations	1,440,416				1,440,416	
335	Hydrants	665,546				665,546	
336	Backflow Prevention Devices	88,824				88,824	
339	Other Plant Miscellaneous Equipment	678	678				
340	Office Furniture and Equipment	110,807					110,807
341	Transportation Equipment	276,006					276,006
342	Stores Equipment	2,798					2,798
343	Tools, Shop and Garage Equipment	12,757					12,757
344	Laboratory Equipment						
345	Power Operated Equipment	220,565					220,565
346	Communication Equipment	43,007					43,007
347	Miscellaneous Equipment						
348	Other Tangible Plant						
	TOTAL WATER PLANT	\$ 12,284,097	\$ 678	\$ 1,291,903	\$ 708,866	\$ 9,336,094	\$ 946,556

W-4(b)
GROUP _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

SYSTEM NAME / COUNTY : Escambia

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.

UTILITY NAME: Peoples Water Service Company of Florida, Inc.
 SYSTEM NAME / COUNTY: Escambia

YEAR OF REPORT
 12/31/2007

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$ 212,756	\$ 10,157	\$	\$ 10,157
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	448,229	15,047		15,047
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	496,782	31,938		31,938
320	Water Treatment Equipment	587,454	9,324		9,324
330	Distribution Reservoirs and Standpipes	329,626	54,716		54,716
331	Transmission and Distribution Mains	1,706,209	84,692		84,692
333	Services	1,211,266	55,982		55,982
334	Meters and Meter Installations	355,350	103,838		103,838
335	Hydrants	274,688	15,356		15,356
336	Backflow Prevention Devices	74,572	413		413
339	Other Plant Miscellaneous Equipment	678			
340	Office Furniture and Equipment	51,230	12,360		12,360
341	Transportation Equipment	162,117	33,229		33,229
342	Stores Equipment	2,775	15		15
343	Tools, Shop and Garage Equipment	10,032	945		945
344	Laboratory Equipment				
345	Power Operated Equipment	53,525	18,891		18,891
346	Communication Equipment	32,652	2,096		2,096
347	Miscellaneous Equipment				
348	Other Tangible Plant				
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 6,009,941	448,999		448,999

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

YEAR OF REPORT
12/31/2007

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY: _____ Escambia _____

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-j) (k)
304	Structures and Improvements		\$			\$ 222,913
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					463,276
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					
311	Pumping Equipment	5,000			5,000	523,720
320	Water Treatment Equipment	8,150			8,150	588,628
330	Distribution Reservoirs and Standpipes					384,342
331	Transmission and Distribution Mains	7,015			7,015	1,783,886
333	Services					1,267,248
334	Meters and Meter Installations	31,431			31,431	427,757
335	Hydrants					290,044
336	Backflow Prevention Devices					74,985
339	Other Plant Miscellaneous Equipment					678
340	Office Furniture and Equipment	8,034			8,034	55,556
341	Transportation Equipment	27,924			27,924	167,422
342	Stores Equipment					2,790
343	Tools, Shop and Garage Equipment	2,122			2,122	8,855
344	Laboratory Equipment					
345	Power Operated Equipment	4,010			4,010	68,406
346	Communication Equipment					
347	Miscellaneous Equipment					34,748
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 93,686	\$	\$	\$ 93,686	\$ 6,365,254

W-6(b)
GROUP _____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
12/31/2007

SYSTEM NAME / COUNTY : Escambia

**CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ <u>3,746,915</u>
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ <u>76,409</u>
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	<u>1,201</u>
Total Credits		\$ <u>77,610</u>
Less debits charged during the year (All debits charged during the year must be explained below)		\$ <u>0</u>
Total Contributions In Aid of Construction		\$ <u>3,824,525</u>

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

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

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

SYSTEM NAME / COUNTY : Escambia

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"	53	\$ _____	\$ 47,158
1"	12	_____	18,538
2"	4	_____	10,713
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ <u>76,409</u>

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 1,378,017
Debits during the year:	
Accruals charged to Account 272	\$ 87,431
Other debits (specify):	_____
_____	_____
_____	_____
Total debits	\$ 87,431
Credits during the year (specify):	
_____	\$ _____
_____	_____
Total credits	\$ 0
Balance end of year	\$ <u>1,465,448</u>

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

SYSTEM NAME / COUNTY : Escambia

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	\$ 1,201
Total Credits		\$ 1,201

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT

12/31/2007

SYSTEM NAME / COUNTY : Escambia

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	0	0	\$ 0
461.1	Metered Water Revenue: Sales to Residential Customers	8,371	8,263	2,114,621
461.2	Sales to Commercial Customers	464	475	299,506
461.3	Sales to Industrial Customers			0
461.4	Sales to Public Authorities	27	25	44,733
461.5	Sales Multiple Family Dwellings	3,071	3,108	584,565
Total Metered Sales		11,933	11,871	\$ 3,043,425
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection	26	26	0
Total Fire Protection Revenue		26	26	\$ 0
464	Other Sales To Public Authorities			
465	Sales To Irrigation Customers	43	55	10,318
466	Sales For Resale			
467	Interdepartmental Sales			
Total Water Sales		12,002	11,952	\$ 3,053,743
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$
470	Forfeited Discounts			
471	Miscellaneous Service Revenues/Reconnects \$106,893 & Backflows \$12,020			118,913
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				\$ 118,913
Total Water Operating Revenues				\$ 3,172,656

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

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

SYSTEM NAME / COUNTY : Escambia

WATER UTILITY EXPENSE ACCOUNT MATRIX

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	\$ 549,462	\$ 47,407	\$ 8,731
603	Salaries and Wages - Officers, Directors and Majority Stockholders			
604	Employee Pensions and Benefits	162,757		
610	Purchased Water			
615	Purchased Power	162,486	162,486	
616	Fuel for Power Production			
618	Chemicals	40,310		
620	Materials and Supplies	315,409		9,114
631	Contractual Services-Engineering	11,857		
632	Contractual Services - Accounting	6,800		
633	Contractual Services - Legal	1,565		
634	Contractual Services - Mgt. Fees	560,164		
635	Contractual Services - Testing	19,281		
636	Contractual Services - Other	150,824		
641	Rental of Building/Real Property			
642	Rental of Equipment			
650	Transportation Expenses	46,361		
656	Insurance - Vehicle	26,440		
657	Insurance - General Liability	38,105		
658	Insurance - Workman's Comp.	21,401		
659	Insurance - Other	20,879		
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	23,481		
675	Miscellaneous Expenses	59,528		
Total Water Utility Expenses		\$ <u>2,217,110</u>	\$ <u>209,893</u>	\$ <u>17,845</u>

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

SYSTEM NAME / COUNTY : Escambia

WATER UTILITY 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)
\$ 28,700	\$	\$ 61,056	\$	\$ 403,568	\$
					162,757
40,310					
6	27,994	7,491	250,206	20,598	
					11,857
					6,800
					1,565
					560,164
					19,281
					150,824
					46,361
					26,440
					38,105
					21,401
					20,879
				23,481	
					59,528
\$ 69,016	\$ 27,994	\$ 68,547	\$ 250,206	\$ 447,647	\$ 1,125,962

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT 12/31/2007

SYSTEM NAME / COUNTY : Escambia

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	74,822	4,314	70,508	57,260
February	0	67,803	4,594	63,209	52,370
March	0	79,662	7,215	72,447	52,000
April	0	77,635	6,754	70,881	65,700
May	0	104,372	8,377	95,995	76,520
June	0	95,456	7,978	87,478	79,880
July	0	92,184	4,462	87,722	86,910
August	0	96,102	6,441	89,661	71,530
September	0	81,899	4,971	76,928	80,720
October	0	83,961	7,146	76,815	58,800
November	0	76,108	6,993	69,115	67,520
December	0	72,701	7,778	64,923	62,980
Total for Year	0	1,002,705	77,023	925,682	812,190

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
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
12/31/2007

SYSTEM NAME / COUNTY: Escambia

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 W-12(b) through W-12(f)

UTILITY NAME:

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2007

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):	<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>GRANULAR ACTIVATED CARBON AND 12 FT x 12.75 FT AREA</u>		
Pressure (in square feet):	<u>.868 LB/SQ FT</u>	Manufacturer:	<u>CALGON CARBON CORPORATION</u>
Gravity (in GPM/square feet):	<u>N/A</u>	Manufacturer:	<u>N/A</u>

W-17(b)

GROUP _____

SYSTEM _____

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2007

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>

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2007

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):	<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>GRANULAR ACTIVATED CARBON AND 10 FT x 12.75 FT AREA</u>		
Pressure (in square feet):	<u>.868 LB/SQ FT</u>	Manufacturer:	<u>CALGON CARBON CORPORATION</u>
Gravity (in GPM/square feet):	<u>N/A</u>	Manufacturer:	<u>N/A</u>

W-17(d)
GROUP _____
SYSTEM _____

UTILITY NAME: PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT
December 31, 2007

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, 2007

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 12/31/2007

SYSTEM NAME / COUNTY : Escambia

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	8,649	8,649
3/4"	Displacement	1.5		
1"	Displacement	2.5	325	812.5
1 1/2"	Displacement or Turbine	5.0	98	490
2"	Displacement, Compound or Turbine	8.0	38	304
3"	Displacement	15.0	4	60
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	9	225
4"	Turbine	30.0		
6"	Displacement or Compound	50.0	21	1,050
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				<u>12,040.5</u>

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

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

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC Calculation:

812,190,000 GAL Sold/365 Days/350 GPD = 6,358 ERC

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
12/31/2007

SYSTEM NAME / COUNTY : Escambia

OTHER WATER SYSTEM INFORMATION

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

- 1. Present ERCs * 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? ISO 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:

For the Year Ended December 31, 2007

(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)	\$ 0	\$ 0	\$
Total Metered Sales (461.1 - 461.5)	3,043,425	3,043,425	
Total Fire Protection Revenue (462.1 - 462.2)	0	0	
Other Sales to Public Authorities (464)	10,318	10,318	
Sales to Irrigation Customers (465)	0	0	
Sales for Resale (466)	0	0	
Interdepartmental Sales (467)	0	0	
Total Other Water Revenues (469 - 474)	118,913	118,913	
Total Water Operating Revenue	\$ 3,172,656	\$ 3,172,656	\$
LESS: Expense for Purchased Water from FPSC-Regulated Utility	0	0	
Net Water Operating Revenues	\$ 3,172,656	\$ 3,172,656	\$

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).