

DEPOSIT: TPCA

62 31 9

APR 20 1993

**Rhema Business Services, Inc.**

P.O. Box 13705  
Tallahassee, FL 32317

(904) 222-1192

April 19, 1993

930406-WU

Division of Records and Reporting  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee, Florida 32399-0850

WU 512

Re: Application of VENTURE ASSOCIATES UTILITIES CORPORATION for  
Approval of Allowance for Funds Used During Construction in  
Marion County

Gentlemen:

Enclosed are the original and fifteen (15) copies of the Venture Associates Utilities Corporation Application for Approval of Allowance for Funds Used During Construction. Also enclosed in Venture Associates Utilities Corporation check no. 1110 in the amount of \$900.00 in payment of the appropriate filing fee.

Please direct all inquiries to me at 222-1192.

Sincerely,



Norman F. Mears  
Senior Utility Consultant

Hand Deliver  
Enclosures  
cc: Arthur F. Tait, Jr.

DOCUMENT NUMBER-DATE

04231 APR 19 93

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of VENTURE )  
ASSOCIATES UTILITIES CORPORATION )  
for Approval of Allowance for )  
Funds Used During Construction )  
(AFUDC) in Marion County Pursuant )  
to Chapter 367.081 and 367.121, )  
Florida Statutes. )

930406-WIU

APPLICATION FOR APPROVAL OF AFUDC

Venture Associates Utilities Corporation (the Utility), by its undersigned consultant, files this Application for Approval of Allowance for Funds Used During Construction (AFUDC) pursuant to Rule 25-30.116, Florida Administrative Code, and Florida Statutes 367.081 and 367.121 and states as follows:

1. The exact name of the Utility and the address of its principal business office is:

Venture Associates Utilities Corporation  
8888 Southwest State Road 200  
Ocala, Florida 32676

2. The name and address of the person authorized to receive notices and communications in respect to this application is:

Norman F. Mears, Senior Utility Consultant  
Rhema Business Services, Inc.  
Post Office Box 13705  
Tallahassee, Florida 32317-3705

3. Schedules A, B, and C pursuant to Chapter 25-30.116(4)(a)(b) and (c) accompany this application.

4. The filing fee of nine hundred dollars (\$900.00) pursuant to Chapter 25-30.020 accompanies this application.

The Utility requests the approval of its requested discounted monthly AFUDC rate of .009293 pursuant to Chapter 25-30.116, Florida Administrative Code.

RESPECTFULLY SUBMITTED, this 19<sup>th</sup> day of April, 1993.

  
\_\_\_\_\_  
Norman F. Mears  
Senior Utility Consultant  
Rhema Business Services, Inc.  
Post Office Box 13705  
Tallahassee, Florida 32317  
Telephone: (904) 222-1192  
Consultant for Venture Associates  
Utilities Corporation

TABLE OF CONTENTS

Schedule A	25-30.116(4)(a)	- Schedule showing the capital structure, cost rates and weighted average cost of capital that are the basis for the AFUDC rate
Schedule B	25-30.116(4)(b)	- Schedule showing capital structure adjustments including the unadjusted capital structure, reconciling adjustments and adjusted capital structure that are the basis for the AFUDC rate
Schedule C	25-30.116(4)(c)	- Schedule showing the calculation of the monthly AFUDC rate using the methodology set out in 25-30.116(3)(a)

VENTURE ASSOCIATES UTILITIES CORPORATION  
 Twelve Month Average Embedded Cost of Capital  
 For the Twelve Months Ended December 31, 1992

Schedule A

<u>Source</u>	<u>Average Balance</u>	<u>Weight</u>	<u>Cost</u>	<u>Weighted Cost</u>
Common Stock Issued	\$3,570			
Other Paid-in Capital	49000			
Retained Earnings	<u>35489</u>			
Total Equity	\$88,059	0.3138	12.44%	3.90%
Long Term Debt	\$180,840	0.6444	11.80%	7.60%
N/P – Barnett Bank	2883	0.0103	9.25%	0.10%
N/P – Associated Company	3779	0.0135	0.00%	0.00%
Customer Deposits	<u>5053</u>	<u>0.0180</u>	8.00%	<u>0.14%</u>
Total	<u>\$280,614</u>	<u>1.0000</u>		<u>11.74%</u>
Discounted Monthly AFUDC Rate				<u>0.009293</u>

NOTES:

- (1) The cost of Equity is calculated pursuant to Order No. PSC-92-0686-FOF-WS.
- (2) The Utility has no deferred income taxes or investment tax credits because it is an S Corporation.

VENTURE ASSOCIATES UTILITIES CORPORATION  
 Twelve Month Average Embedded Cost of Capital  
 For the Twelve Months Ended December 31, 1992

Schedule B

Source	Unadjusted Average Balance	Adjustments	Adjusted Average Balance
Common Stock Issued	\$3,570	0	\$3,570
Other Paid-in Capital	49,000	0	49,000
Retained Earnings	<u>35,489</u>	<u>0</u>	<u>35,489</u>
Total Equity	\$88,059	0	\$88,059
Long Term Debt	\$180,840	0	\$180,840
N/P – Barnett Bank	2,883	0	2,883
N/P – Associated Company	3,779	0	3,779
Customer Deposits	<u>5,053</u>	<u>0</u>	<u>5,053</u>
Total	<u>\$280,614</u>	<u>0</u>	<u>\$280,614</u>

VENTURE ASSOCIATES UTILITIES CORPORATION  
Calculation of AFUDC Rate

Schedule C

$$\text{FORMULA: } M = \left( \left( 1 + \frac{A}{100} \right)^{(1/12)} - 1 \right) * 100 = \underline{\underline{0.009293}}$$

DEPOSIT TREAS REC DATE  
6685 APR 20 '93

**Rhema Business Services, Inc.**  
P.O. Box 13705  
Tallahassee, FL 32317  
  
(904) 222-1192

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Sincerely,

*Norman F. Mears*

Norman F. Mears  
Senior Utility Consultant

DOCUMENT NUMBER-DATE  
04231 APR 1993  
FILED-RECORDS/REPORTING

**VENTURE ASSOCIATES  
UTILITIES CORPORATION**  
8888 S.W. STATE ROAD 200  
OCALA, FL 32676

**BARNETT BANK**  
015-012  
7975 SOUTHWEST STATE ROAD 200  
OCALA, FLORIDA 32676

1110

001110

NINE HUNDRED DOLLARS & 00/100

DATE 4/16/93 AMOUNT \*\*\$900.00

PAY TO THE ORDER OF: FLORIDA PUBLIC SERVICE COMMISSION

*Norman F. Mears*  
*Norman F. Mears*