

DOCKET NO. 961157-WA

REQUEST TO ESTABLISH DOCKET

Date September 19, 1996

1. Division Name/Staff Name Division of Water and Wastewater/Johnson
2. OPR Cheryl Johnson
3. OCR \_\_\_\_\_
4. Suggested Docket Title Application for 1996 Disposition of Contribution In Aid of Construction

5. Suggested Docket Mailing List (attach separate sheet if necessary)

- A. Parties (Provide names of regulated companies or use abbreviation from list below if Parties should include all regulated companies in one or more industries; provide names and addresses of nonregulated companies; provide names, addresses, and affiliation (i.e., attorney, company liaison officer, or customer) of individuals.)

East Central Florida Services, Inc. \_\_\_\_\_  
1700 13th Street, Suite 2 \_\_\_\_\_  
St. Cloud, Florida 34769 \_\_\_\_\_  
Attention: John L. King, President \_\_\_\_\_

- B. Interested Persons/Companies (Provide names, complete mailing addresses, and affiliation. Use abbreviation from list below if Interested Persons should include all regulated companies in one or more industries.)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

REGULATED INDUSTRIES

Investor-Owned Electrics (EI)	Water Utilities (WU)
Electric Cooperatives (EC)	Local Exchange Telephone Cos. (TL)
Municipal Electrics (EM)	Interexchange Telephone Cos. (TI)
Gas Utilities (GU)	Coin-Operated Telephone Cos. (TC)
Wastewater Utilities (SU)	Shared Tenant Telephone Cos. (TS)
	Alternate Access Vendors (TA)

6. Check One:

- Documentation attached.  
 Documentation will be provided with recommendation.

**CIA REPORT** Dec. 31  
 FOR TAX RETURN YEAR ENDED \_\_\_\_\_, 19\_\_

COMPANY: EAST CENTRAL FLORIDA SERVICES, INC.

	<u>TOTAL</u> <u>COMPANY</u>	<u>NON</u> <u>JURISDICTIONAL</u>	<u>JURISDICTIONAL</u>
1. Total CIAC	\$93,177	\$	\$93,177
2. Total Connection Fees	( )	( )	( )
3. Total Installation Fees	( )	( )	( )
4. Total Prepaid Connection Fees (not in (2))	( )	( )	( )
5. Total Tap-in Fees	( )	( )	( )
6. Total Jack & Bore Fees	( )	( )	( )
7. CIAC Taxable Because of Amendment to Section 118	\$93,177	\$	\$93,177
8. Depreciation on (7)	( 582 )	( )	( 582 )
9. Taxable Income Effect of (7)	<u>\$92,595</u>	<u>\$</u>	<u>\$92,595</u>
<i>Total Income</i> 10. Form 1120, Line 11	\$310,797	\$	\$310,797
11. LESS: Form 1120, Line 27	( 292,748 )	( )	( 292,748 )
12. Form 1120, Line 28	\$ 18,049	\$	\$ 18,049
13. LESS: Form 1120, Line 29a	( 167,253 )	( )	( 167,253 )
14. LESS: Form 1120, Line 29b	( )	( )	( )
15. Form 1120, Line 30	\$149,204)	\$	\$149,204)
16. LESS: Net CIAC Taxable Because of TRA '86 (from Line (9))	( 92,595 )	( )	( 92,595 )
17. PLUS(LESS): Other CIAC Effects of TRA '86 (attached)	_____	_____	_____
18. Adjusted Form 1120, Line 30	<u>\$(241,799)</u>	<u>\$</u>	<u>\$(241,799)</u>
Current Combined Federal & State Tax Rate <u>15</u> %			
19. CIAC Gross-up Collections	\$16,278	\$	\$16,278
20. CIAC Gross-up Refunds	( 681 )	( )	( 681 )
21. Interest on gross-up collections, net of tax	2	_____	2
22. Net CIAC Gross-up To Be Applied To Line (9)	<u>\$15,600</u>	<u>\$</u>	<u>\$15,600</u>
CIAC Gross-up Rate Used <u>15</u> %			

CIAC Treatment on East Central Florida's Tax Return  
Year Ended 1994  
EID: 59-2996410

Form 1120 Line 1	310,797	
Less CIAC collected in 1994	<u>109,457</u>	Sch M-1
Net Line 1	<u>201,340</u>	
Schedule M-1 Line 4 Statement 5		
CIAC	93,177	
Grossup Collected in 1994	<u>16,280</u>	
	<u>109,457</u>	
Form 1120 Line 26 Statement 2		
Refund of Grossup	671	
Amortization of Grossup	<u>619</u>	
Net CIAC Treatment Line 26 State 2	<u>1,290</u>	Sch M-1 Line 7
Proposed Method of Refund		
Grossup Collected in 1994	16,280	
Interest Since Collection	<u>208</u>	
100% Refund Since in Loss Cond.	<u>16,488</u>	

CIACIMP

CIACIMP  
09/29/95

\*\*\*\*\* BIAA tax impact Account. Calculations of interest and customer deposit.  
Sunbank Account 478 780730 3

Customer	Location	Amount	Date	Int Accr	Total
DRF	STAP PUMP	15.798.04	11/30/94	0	15.798.04
DRF REC	STAP PUMP	15.798.04	02/28/95	24.00	15.822.04
DRF REC	STAP PUMP	15.822.04	03/31/95	24.88	15.846.92
DRF REC	STAP PUMP	15.846.92	04/30/95	25.79	15.872.71
DRF REC	STAP PUMP	15.872.71	05/31/95	25.83	15.898.54
DRF REC	STAP PUMP	15.898.54	06/30/95	26.74	15.925.28
ADJUST FOR INTEREST		15.925.28		0.09	15.925.37
CHANGE BY ALLOC TOT				0.00	0.00
DRF	STAP PUMP	15.925.37	07/31/95	22.64	15.948.01
DRF	STAP PUMP	15.948.01		25.95	15.973.96
DRF	STAP PUMP	15.973.96		25.13	15.999.09
				0.00	0.00
				0.00	0.00
				0.00	0.00
					15.999.09

12/31/93

Customer	Location	Amount	Date	Int Accr	Total
DRF	TROUT LAK	480.44	10/20/94	0.29	480.73
DRF	TROUT LAK	480.73	11/30/94	0.78	481.51
DRF	TROUT LAK	481.51	12/31/94	0.81	482.32
DRF	TROUT LAK	482.32	01/31/95	0.81	483.13
DRF	TROUT LAK	483.13	02/28/95	0.79	483.92
DRF	TROUT LAK	483.92	03/31/95	0.76	484.68
DRF	TROUT LAK	484.68	04/01/95	0.79	485.47
DRF	TROUT LAK	485.47	05/31/95	0.69	486.16
DRF	TROUT LAK	486.16	06/30/95	0.82	486.98
ADJUST FOR INTEREST		486.98		0.04	487.02
CHANGE BY ALLOC TOT				0.00	0.00
DRF	TROUT LAK	487.02	07/31/95	0.79	487.81
DRF	TROUT LAK	487.81	08/31/95	0.79	488.60
DRF	TROUT LAK	488.60	9/29/95	0.77	489.37
					489.37

R.F.  
Sub

Customer	Location	Amount	Date	Int Accr	Total
DRF	Stapley	8040.96	06/27/95	0.00	8,040.96
DRF	Stapley	8,040.96	06/30/95	1.74	8,042.70
ADJUST FOR INTEREST		8,042.70		0.02	8,042.72
CHANGE BY ALLOC TOT		0.00		0.00	0.00
DRF	STAPLEY	8,042.72	07/31/95	1.75	8,044.47
DRF	STAPLEY	8,044.47	08/31/95	13.09	8,057.56
					8,057.56

Ties to G/L

24,546.03

\*\*\*\*\*

# NOTICE

January 31, 1995

# RECEIVED

UCI 25 1995

TO: Mr. John L. King, President  
East Central Florida Services, Inc.  
1700 13th Street, Suite 1  
St. Cloud, FL 34769-4300

Florida Public Service Commission  
Division of Water and Wastewater

FROM: CHARLES H. HILL, DIRECTOR, DIVISION OF WATER AND WASTEWATER *CH*

RE: REPORT REQUIRED BY ORDER NO. 16971 - STATUS OF GROSS UP FOR TAX EFFECT OF CONTRIBUTIONS IN AID OF CONSTRUCTION

Orders Nos. 16971 and 24129 required utilities who have requested and obtained approval to gross up the tax effect of CIAC to submit the following information:

- (1) a detailed statement of the CIAC tax impact account;
- (2) signed copies of the utility's Federal and State income tax returns or complete the attached CIAC report (provided signed copies of your tax return are available to staff upon request for review and audit); and
- (3) workpapers which show the treatment of CIAC on the tax returns.

In addition, please provide the following information:

- (1) the actual above-the-line tax liability before the effect of CIAC is taken into consideration;
- (2) the actual above-the-line tax liability after the effect of CIAC is taken into consideration;
- (3) the amount of CIAC collected for the reporting period;
- (4) the amount of gross-up collected for the reporting period;
- (5) calculation of the amount of over or under collection of CIAC gross-up;
- (6) the proposed amount of refund and interest, if any; and
- (7) the proposed method of refund.

Please send the above information to the following address:

Connie L. McCaskill, Supervisor/Limited Filings  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee, FL 32399-0873

If you are not currently grossing up for CIAC or have never grossed up, please check the box below and sign and return this page only. Facsimile copies do not satisfy the filing requirements.

The report is a public document under the statutes. Requests for confidential treatment must be made in accordance with the provisions of Rule 25-22.006, Florida Administrative Code, Confidential Information. Only (1) copy of the tax return should be filed, directly with the Division of Records and Reporting. The report is due no later than 120 days after Federal and State tax returns for 1994 have been filed.

If you have any questions, call Connie McCaskill at (904) 488-8482.

This utility does not gross up.

Dated this 6<sup>th</sup> day of October, 1995

*John L. King*  
Company Official and Title



*Major*

RECEIVED

DEC 27 1993

Florida Public Service Comm.  
Commissioner Deason

December 21, 1993

J. Terry Deason, Chairman  
Public Service Commission  
Fletcher Building  
101 East Gaines Street  
Tallahassee FL 32399-0850

RECEIVED

FEB 2 1994

Florida Public Service Commission  
Division of Water and Wastewater

Dear Mr. Deason,

In accordance with the requirements of the commission's order issued in Docket No. 920433-WU; East Central Florida Services, Inc. is providing this report of gross-up funds collected during 1993.

Gross-up funds were received in May of 1993 of this year totaling \$663.67 and currently reside in an escrow account bearing interest. This is the only gross-up received this year.

Sincerely,

John L. King  
President

# NOTICE

January 20, 1994

TO: Mr. John L. King, President  
East Central Florida Services, Inc.  
1700 13th Street, Suite 1  
St. Cloud, FL 34769-4300

FROM: CHARLES H. HILL, DIRECTOR, DIVISION OF WATER AND WASTEWATER *CH*

RE: REPORT REQUIRED BY ORDER NO. 16971 - STATUS OF GROSS UP FOR TAX EFFECT OF CONTRIBUTIONS IN AID OF CONSTRUCTION

Orders Nos. 16971 and 24129 required utilities who have requested and obtained approval to gross up the tax effect of CIAC to submit the following information:

- (1) a detailed statement of the CIAC tax impact account;
- (2) signed copies of the utility's Federal and State income tax returns or complete the attached CIAC report (provided signed copies of your tax return are available to staff upon request for review and audit); and
- (3) workpapers which show the treatment of CIAC on the tax returns.

In addition, please provide the following information:

- (1) the actual above-the-line tax liability before the effect of CIAC is taken into consideration;
- (2) the actual above-the-line tax liability after the effect of CIAC is taken into consideration;
- (3) the amount of CIAC collected for the reporting period;
- (4) the amount of gross-up collected for the reporting period;
- (5) calculation of the amount of over or under collection of CIAC gross-up;
- (6) the proposed amount of refund and interest, if any; and
- (7) the proposed method of refund.

Please send the above information to the following address:

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Florida Public Service Commission  
101 East Gaines Street  
Tallahassee, FL 32399-0873

If you are not currently grossing up for CIAC or have never grossed up, please check the box below and sign and return this page only. Facsimile copies do not satisfy the filing requirements.

The report is a public document under the statutes. Requests for confidential treatment must be made in accordance with the provisions of Rule 25-22.006, Florida Administrative Code, Confidential Information. Only (1) copy of the tax return should be filed, directly with the Division of Records and Reporting.

The report is due thirty (30) days after Federal and State tax returns for 1993 have been filed.

If you have any questions, call Connie McCaskill at (904) 488-8482.

This utility does not gross up.

Dated this 21<sup>st</sup> day of October, 1994

*John L. King*  
\_\_\_\_\_  
Company Official and Title

**CIAC REPORT**  
FOR TAX RETURN YEAR ENDED DECEMBER 31, 1993

COMPANY: EAST CENTRAL FLORIDA SERVICES, INC.

	<u>TOTAL</u> <u>COMPANY</u>	<u>NON</u> <u>JURISDICTIONAL</u>	<u>JURISDICTIONAL</u>
1. Total CIAC	\$ 1100.00	\$	\$ 1100.00
2. Total Connection Fees	( )	( )	( )
3. Total Installation Fees	( )	( )	( )
4. Total Prepaid Connection Fees (not in (2))	( )	( )	( )
5. Total Tap-in Fees	( )	( )	( )
6. Total Jack & Bore Fees	( )	( )	( )
7. CIAC Taxable Because of Amendment to Section 118	\$ 1100.00	\$	\$ 1100.00
8. Depreciation on (7)	( 27.51 )	( )	( 27.51 )
9. Taxable Income Effect of (7)	<u>\$ 1072.49</u>	<u>\$</u>	<u>\$ 1072.49</u>
10. Form 1120, Line 11	\$ 54172 -	\$	\$ 54172 -
11. LESS: Form 1120, Line 27	( 162870 - )	( )	( 162870 - )
12. Form 1120, Line 28	\$ <108698 >	\$	\$ <108698 >
13. LESS: Form 1120, Line 29a	( 0 )	( )	( 0 )
14. LESS: Form 1120, Line 29b	( 0 )	( )	( 0 )
15. Form 1120, Line 30	\$ <108698 >	\$	\$ <108698 >
16. LESS: Net CIAC Taxable Because of TRA '86 (from Line (9))	( 1072 )	( )	( 1072 )
17. PLUS(LESS): Other CIAC Effects of TRA '86 (attached)	_____	_____	_____
18. Adjusted Form 1120, Line 30	<u>\$ &lt;109770 &gt;</u>	<u>\$</u>	<u>\$ &lt;109770 &gt;</u>
Current Combined Federal & State Tax Rate <u>15</u> %			
19. CIAC Gross-up Collections	\$ 663.67	\$	\$ 663.67
20. CIAC Gross-up Refunds	( )	( )	( )
21. Interest on gross-up collections, net of tax	16.87	_____	15.66
22. Net CIAC Gross-up To Be Applied To Line (9)	<u>\$ 180.54</u>	<u>\$</u>	<u>\$ 179.20</u>

CIAC Gross-up Rate Used \_\_\_\_\_ %



4.

East Central Florida Services  
CIAC Report

In 1993, East Central Florida Services sustained losses from operations that created no grossup liability on the tax return. Since all revenue and expenses was for the utility operations and depreciation was in useful plant; East Central Florida Services tax liability was above the line as is reflected upon the CIAC report. Since there was no tax liability for 1993, ECFS is refunding the grossup at a 100% plus interest to the customer. This interest being refunded is between 1.98% and 2.00% market rate that Sunbank used for their basis on savings accounts.

The amounts of CIAC is \$ 1,100.00 collected and \$ 663.67 Grossup collected. Added to this is the \$ 16.87 in interest paid through the end of September 1994. Corporate tax filing was on September 15, 1994 for 1993.

CIACIMP  
AUGUST 1994

CIACIMP.WKS  
14-Oct-94

23609 CIAC Tax Impact Account, Calculations of interest and customer  
Sunbank Account 478 780730 3

Customer	Location	Amount	Date	Int Accr	Total
Osc. Cou	Holopaw	663.67	61193	4.06	667.73
Osc. Cou	Holopaw	667.73		1.12	668.85
OSC. COU	HOLOPAW	668.85		1.09	669.94
OSC. COU	HOLOPAW	669.94	123193	1.13	671.07 December
OSC. COU	HOLOPAW	671.07	013194	1.09	672.16
OSC. COU	HOLOPAW	672.16	022894	1.09	673.25
OSC COU	HOLOPAW	673.25	033194	.86	674.11
OSC. COU	HOLOPAW	674.11	043094	.96	675.07
OSC. COU	HOLOPAW	675.07	053194	.96	676.03
OSC. COU	HOLOPAW	676.03	063094	1.10	677.13
OSC. COU	HOLOPAW	677.13	073194	1.10	678.23
OSC. COU	HOLOPAW	678.23	083194	1.10	679.34
OSC. COU	HOLOPAW	679.34	093094	1.20	680.54

CIAC collected: \$ 1,100.00