### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Applications For An Amendment
Of Certificate For An Extension
Of Territory And For an Original
Water And Wastewater Certificate
(for a utility in existence and charging
for service)
In re: Application by Nocatee Utility
Corporation for Original Certificates for
Water & Wastewater Service in Duval
and St. Johns Counties, Florida

ORIGINAL

Docket No. 992040-WS

Docket No. 990696-WS

# PREFILED DIRECT TESTIMONY OF MICHAEL E. BURTON

ON BEHALF OF INTERCOASTAL UTILITIES, INC.



DOCUMENT NUMBER-DATE 01867 FEB 118

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- 3 Q. Please state your name and professional address for the record.
- 4 A. My name is Michael E. Burton. My professional address is Burton & Associates, Inc. at 440

  Osceola Avenue, Jacksonville Beach, Florida 32250.
  - Q. By whom are you employed and in what capacity?
- 7 A. I am employed by Burton & Associates, Inc. as its President.
  - Q. Please state your education and professional experience in matters related to water and wastewater utility rates and rate making.
    - A. I received a Bachelors of Industrial Engineering degree from the University of Florida in March of 1970. I have over 21 years of experience in water and sewer rate making, including 10 years with Arthur Young & Company, now Ernst & Young, where I last served as a Principal in charge of the Firm's Florida Utility Economics Practice Area. I founded Burton & Associates 11 years ago and we have specialized in water and sewer rate making since the Firm's inception. I have conducted water and sewer rate studies and related financial analyses for over 60 governmental and private clients. I have also served as the regulatory rate consultant for St. Johns County for 9 years and as the regulatory rate consultant for Flagler County for three years.
- 18 Q. Have you been accepted as an expert witness in an administrative proceeding?
- 19 A. Yes, in cases before the St. Johns County Water and Sewer Authority, the Flagler County Utility
  20 Regulatory Interim Authority and the Florida Public Service Commission.
- 21 Q. In what areas?
- 22 A. Utility rates, rate making and related issues.
- 23 | Q. Are you familiar with Intercoastal's application and its proposal?
- 24 A. Yes.
- 25 Q. Please tell the Commissioners what Exhibit MB-1 is.

- A. Exhibit MB-1 is a document which presents a proforma forecast of the financial dynamics of Intercoastal's operations and the effect upon its rates, assuming the plan presented in PBS&J's Conceptual Master Plan dated December, 1999 is implemented.
- Q. Why did you put together Exhibit MB-1?
- A. I was retained by Intercoastal to develop a multi-year predictive model which would simulate the financial dynamics of the utility's operations under Florida Public Service Commission (FPSC) regulations. The model was developed to determine the appropriate level for water and wastewater rates in each year of the forecast period based upon each year's calculated rate base, weighted cost of capital and allowed return. The model was developed to determine whether the implementation of the Conceptual Master Plan would cause Intercoastal's rates to increase over the forecast period?
- Q. Please explain your conclusions as reflected in Exhibit MB-1.
- A. Exhibit MB-1 supports the conclusion that, over the forecast period, which is 1999 through 2009, Implementation of the Conceptual Master Plan will not cause Intercoastal's rates to increase and in fact will result in reduced rate pressure, and possibly rate reductions, due to the economies of scale realized by expansion of Intercoastal's customer base.
- Q. Can you elaborate upon that conclusion based upon the results and other analysis presented in Exhibit MB-1?
- A. Yes. Exhibit MB-1 shows that if the Conceptual Master Plan is implemented, Intercoastal will not require any rate increases over the forecast period. Furthermore, if growth occurs as projected, Exhibit MB-1 indicates that Intercoastal's rates could decrease as much as 32.6% by 2009.
  - When one looks at the average residential customer's bill (assuming 5,333 gallons per month water usage), expressed in terms of cost per month, the current Intercoastal rates result in a combined water and sewer bill of \$54.64 per month. If growth occurs as projected, rates could begin to decrease in 2003 and subsequent years of the forecast period such that this bill could decrease to approximately \$36.84 by 2009.

- Q. You mentioned that these conclusions assumed that growth would occur as projected. Have you considered any scenarios that assumed that actual growth occurs at a rate that is lower than projected?
- A. Yes. In order to test the sensitivity of these conclusions to variability in actual growth from projected growth, Exhibit MB-1 presents an alternative analysis assuming that capital projects continue to be sized according to the original projected growth but that actual growth occurs at a level equal to one-half of the projected growth. Based upon this analysis, Exhibit MB-1 shows that Intercoastal would still not require any rate increases over the forecast period. Furthermore, if growth in the requested service area occurs at only one-half of projected growth, Exhibit MB-1 indicates that Intercoastal's rates could still decrease as much as 19.1% by 2009.
  - Converting this to the impact upon the average residential customer's bill shows that the current average water and sewer bill of \$54.64 per month could decrease to approximately \$44.21 by 2009 even if growth actually occurs at only one half of the projected growth.
- Q. Did you analyze any other assumptions with regard to growth?
- A. Yes. Although not included in Exhibit MB-1, I ran the model assuming that actual growth occurs at only 25% of the projected growth. Even with only 25% of the projected growth, Intercoastal's rates still would not increase and could possibly be reduced by as much as 9%, or to \$49.75 per month by 2009.
  - My conclusion with regard to this analysis is that the awarding to Intercoastal of the extension of service area requested, and implementation of the Conceptual Master Plan to meet projected demands in the extended service area, will not cause rates to increase. Furthermore, the analysis in Exhibit MB-1 indicates th/at, all other things being equal, Intercoastal's rates could possibly decrease during the period of implementation of the Conceptual Master Plan.
- Q. Will you please tell the Commissioners the bases for this conclusion?
- A. Intercoastal is an existing utility with approximately 5,500 water customers (ERCs) and 2,800

sewer customers (ERCs). As such, it is already covering all of its allowable fixed costs, including all utility administrative and overhead costs, in its current rates. If Intercoastal is awarded the extension of its service area, it will then be able to increase the size of its customer base, yet many of its fixed costs will not increase proportionately, and some will not increase at all. This will allow these costs to be spread over a larger base of customers, resulting in a lower unit cost for each customer. Furthermore, this benefit will also positively effect Intercoastal's current customers as any rate adjustments will also apply to them.

- Q. In summary, please tell the Commissioners what, in your opinion, will be the effect on existing and future customers if Intercoastal's application is granted.
- A. In my opinion, if Intercoastal's application is granted, Intercoastal's rates will experience downward pressure and Exhibit MB-1 shows that Intercoastal's rates in 2009 could possibly be from 19.1% to 32.6% lower than its current rates (depending upon actual growth), primarily due to the economies of scale that Intercoastal will realize as an existing utility with a current customer base. Therefore, I believe that Intercoastal's customers, current and future, could receive water and sewer service at no more than, and at possibly a lower cost than, Intercoastal is providing those services for today.
- Q. Are there other considerations that could cause rates not to decrease to the levels shown in Exhibit MB-1?
- A. Yes. If growth occurs at lower levels than projected or assumed, rates would not decrease as much as shown in Exhibit MB-1. However, even when growth is assumed to occur at extremely low levels, such as 25% of the original projections, Intercoastal's rates will still not increase and even with this lower level of assumed actual growth, rate decreases of as much as approximately 9% could result by 2009.
  - Also, if regulatory requirements cause additional capital or operations and maintenance (O&M) expenses to be incurred, the favorable rate impacts calculated in Exhibit MB-1 could be reduced.

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However, such regulatory requirements would affect whoever the utility provider is for that service area. That is why we isolated our analysis to only those costs that would be incurred to meet the service demands projected in the requested service area.

- Q. Have you been able to compare Intercoastal's proposal to that of Nocatee Utility Corporation (NUC) at this point?
- Only in a conceptual way. A.
- Q. Please explain.
  - NUC has not filed its direct testimony so there is no plan of service to evaluate. However, NUC will be a new utility with no existing customer base. All other things being equal, that fact alone will cause the actual cost per ERC for NUC to provide service to be greater than Intercoastal's costs per ERC because Intercoastal will realize economies of scale due to its existing customers that will be passed on in reduced rate pressure or possibly lower rates.

Therefore, I believe that if NUC's cost of service are similar to Intercoastal's costs, Intercoastal will be able to have lower rates than NUC over the long-term. NUC may be able to commit to competitive rates in the short-term, because they may be willing to subsidize the utility to facilitate development of their lands in the service area. However, at some point, the Commission will be compelled to award cost-based rates, and NUCs rates will be higher than Intercoastal's rates would be because NUC does not have an existing customer base, whereas Intercoastal's existing customer base will allow it to realize significant economies of scale in its rates.

- Q. Could NUC provide service using a wholesale agreement for water and/or sewer service. If so, how would that affect your assessment of NUC's ability to provide cost effective service as compared to Intercoastal?
  - Yes, NUC could arrange for wholesale water and/or sewer service with another utility service provider. Depending upon the wholesale rates for water and sewer service, such an arrangement may result in a lower cost of service for NUC than if they proceeded as a stand-alone utility. In

that regard, I believe that if Intercoastal were awarded the service area, Intercoastal could enter into any agreement for wholesale service that NUC could. So, if NUC bases its argument that it can provide more cost-effective service than Intercoastal upon a wholesale water and or wastewater service relationship, Intercoastal could do the same, and then all the arguments discussed earlier regarding Intercoastal's economies of scale derived from it being an existing utility with a current customer base will still be applicable in any comparative analysis with NUC.

In summary, I cannot see any scenario under which NUC can provide service with rates as low as Intercoastal can provide service.

- Q. Please explain to the Commissioners your conclusions regarding reclaimed water costs and rates as reflected in Exhibit MB-1.
- A. Exhibit MB-1 presents a forecast of the financial dynamics of the provision of reclaimed water service in the same way as it does for water and sewer service. Exhibit MB-1 shows that the proposed reclaimed water system will be self-supporting with rates in the \$9 to \$10 per ERC per month range by 2005. Economies of scale will begin to materialize in 2009 from customer growth and less rate pressure will emerge in the reclaimed water rates in subsequent years. This analysis assumes that reclaimed water rates will be set in accordance with the same rate regulations that govern water and sewer rates.
- Q. I believe that Exhibit MB-1 shows higher reclaimed water rates in 2002 through 2004. Will Intercoastal's customers have higher rates during those start-up years of the reclaimed water system?
- A. No. It is my understanding that Intercoastal would not seek full cost recovery in reclaimed water rates in the years 2002 through 2004, recognizing that some level of customer growth must occur to reach "steady state" where compensatory rates fall within a range of market acceptance. Based upon the analysis in Exhibit MB-1 it appears that this will occur in about 2005 with the rate being in the \$9 to \$10 per month per ERC range.

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Q. Do you have an opinion as to the reasonableness of this reclaimed water cost per ERC and, if so, please explain.

- A. Yes, I have such an opinion. I have conducted, or am currently conducting, reclaimed water financial feasibility studies and developed reclaimed water rate systems for six cities and counties in Florida within the past three years. These clients include the City of Tampa, the City of Clearwater, the City of Fort Myers, the City of Ocoee, Polk County and Orange County. Based upon my experience with these clients, the costs per ERC derived in Exhibit MB-1 for Intercoastal are within the ranges that I have seen and would expect for like facilities.
- Q. In your opinion, does Intercoastal have the financial ability to continue to provide service in its existing service area?
- A. Yes.
- Q. In your opinion does Intercoastal have the financial strength to undertake its proposed expansion?
- A. Yes. Intercoastal has demonstrated its ability to meet the demands of its service area over its history and, in fact, has just completed a major improvement to its wastewater treatment facilities. I have no reason to believe that Intercoastal will not be able to continue to operate its current and future utility facilities or to fund required expansions to meet the demands of its current and requested service area.
- Q. Based on your familiarity with Intercoastal, in your opinion, what is the projected impact on the utility's capital structure of Intercoastal's proposal?
  - I believe that awarding of this application to ICU and implementation of the proposed Conceptual Master Plan will allow ICU to continue to maintain a viable level of investment in the utility, and will enable Intercoastal to further improve on its already favorable history of obtaining low cost capital. This is true in part because Intercoastal's increased size and expected growth will result in an increase in the markets for capital that are available to it and, therefore, will allow Intercoastal to continue to obtain low cost capital and possibility to realize a decrease in the cost of money to

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- Does Exhibit MB-1 set forth a statement regarding the projected impact of the extension on the utility's monthly rates and service availability charges?
- Yes. As discussed earlier in my testimony, implementation of the proposed Conceptual Master Plan will not cause rates to increase and will actually result in reduced rate pressure due to the economies of scale of Intercoastal's current customer base. If growth occurs as projected, Intercoastal may be able to lower its rates by as much as 32.6% by 2009, and if growth occurs at one-half of the levels assumed in Exhibit MB-1, Intercoastal may be able to lower its rates by 19.1% by 2009. Furthermore, I analyzed another scenario using the model for Exhibit MB-1 that assumed that actual growth will be only 25% of projected growth and, even with that low growth assumption, Intercoastal may still be able to lower its rates by as much as 9% by 2009. I believe that this demonstrates that under any reasonable assumptions regarding growth, no rate increases will be required by Intercoastal due to awarding of the expanded service area.
  - With regard to service availability charges, Exhibit MB-1 assumes that Intercoastal would maintain its current service availability charges of \$234.45 and \$625.20 for water and sewer respectively. Exhibit MB-1 also shows that the level of CIAC as a percent of utility plant in service will be approximately 65% and 62% for water and sewer respectively by 2009. FPSC regulations restrict that percentage to 75%. Therefore, it appears that maintaining the current service availability charges is a reasonable assumption because it would not cause the percentage of CIAC to exceed the FPSC ceiling, yet it is close enough to the ceiling to be considered compensatory at the current levels.
- Q. In your opinion, are the projections and opinions reflected in Exhibit MB-1 reasonable and obtainable by Intercoastal?
- A. Yes. I should point out, however, that the assumptions regarding growth in the expanded service area west of the Intracoastal Waterway were provided by NUC and other smaller developers in the

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area. Intercoastal will not be able to exert influence over whether those levels of growth are actually achieved. However, we have evaluated the proforma results with more conservative growth assumptions equaling only one half and one quarter of the growth rate assumed in Exhibit MB-1 and the results show that even with the same capital improvement program designed to meet the demands of the full growth projections, no increases in Intercoastal's rates will be required with the lower growth assumptions.

- Q. In your opinion, are the financial and capital representations in Intercoastal's application reasonable and obtainable by Intercoastal?
- A. Yes.
- 0 Q. Does that conclude your prefiled testimony?
  - A. Yes.

### INTERCOASTAL UTILITIES, INC.

# APPLICATION FOR SERVICE AREA EXTENSION

Financial Analysis

Presented To

### INTERCOASTAL UTILITIES, INC.

February 7, 2000



Presented By

### Burton & Associates, Inc.

Specialists In Water Resources Economics

EXHIBIT

Separate MB-1



February 7, 2000

Mr. M. L. Forrester Vice President Intercoastal Utilities, Inc. 6215 Wilson Blvd. Jacksonville, Florida 32210

Re: Application for Service Area Extension - Financial Analysis

Dear Mr. Forrester:

Enclosed you will the Final Report of the above referenced analysis. This report will support my direct testimony to the Florida Public Service Commission (FPSC) in the above referenced Application for Service Area Extension.

This report was prepared based upon financial, engineering, growth and other data and information provided to us by you, your staff, Smoak, Davis & Nixon, your accountants and PBS&J, your consulting engineers. Burton & Associates developed a model which produced the results contained herein. The model was developed to predict as closely as possible the financial performance and rate revenue requirements of Intercoastal over a ten year forecast period. In each year of the forecast period the model determines the allowed return based upon calculated rate base and a weighted cost of capital analysis. In each year of the forecast period, this allowed return is then compared to achieved return before rate adjustments to determine any rate adjustments that will be necessary for Intercoastal to earn its allowed return, without over earning in any year. Subsequent years' revenue projections assume that rate adjustments identified in prior years are implemented.

The report includes an analysis of water and sewer rates and a separate analysis of reclaimed water rates. All analyses are based upon annual capital requirements for water, wastewater and reclaimed water identified in PBS&J's Conceptual Master Plan dated December, 1999.

I would like to thank you and your staff for your assistance in providing us the information needed to prepare this report. If you have any questions, please do not hesitate to call me at (904) 247-0787.

Very truly yours

Michael E. Burton

President

MEB/cs Enclosures

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# Intercoastal Utilities, Inc. Application for Service Area Extension Financial Analysis

Intercoastal Utilities, Inc. (Intercoastal) currently provides water service to approximately 5,500 equivalent residential connections (ERCs) and sewer service to approximately 3,200 ERCs in northeastern St. Johns County east of the Intracoastal Waterway. Intercoastal has applied for an extension of its service area west of the Intracoastal Waterway, including an area in Duval County owned by DDI and planned for development as Nocatee.

### A. Objective

The objective of this financial analysis is to examine the financial feasibility of Intercoastal extending its service area as described above in terms of the implication to the water and sewer rates of its current and future customers.

### B. Scope

This analysis includes examination of the expected impact upon water, wastewater and reclaimed water rates of Intercoastal continuing to serve its current service area plus projected development in an extended service area west of the Intracoastal Waterway to include portions of St. Johns County plus the projected development in Nocatee in Duval County.

### C. Information Sources

Information used in this analysis was derived from the following primary sources:

- Intercoastal Utilities 1998 Annual Report filed with the St. Johns County Water and Sewer Authority,
- Intercoastal Utilities staff,
- Intercoastal Utilities Accounting Records,
- Intercoastal Utilities Certified Public Accountant Smoak, Davis & Nixon
- Intercoastal Utilities' consulting Engineer, PBS&J,

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### D. Study Procedures

In order to conduct this analysis, a comprehensive, predictive model was developed. This model was designed to project the financial performance of any water and sewer utility regulated by the Florida Public Service Commission (FPSC) over a ten year forecast period. The model determines the allowed return in each year of the forecast period, based upon a weighted cost of capital analysis, and determines any rate adjustments required in each year in order for the utility to earn its allowed return.

Allowing the model to calculate required rate adjustments in this way usually results in slight rate adjustments in each year of the forecast period. Therefore, in order to avoid rate adjustments in each year of the forecast period, the model also allows for rate adjustments to be specified in each year. It then calculates the achieved return and compares it with the allowed return to show whether the utility will be under or over earning in each year of the forecast period. In this way a rational plan of rate adjustments can be developed which provides the utility with adequate earnings in each year within its allowed return.

The model then evaluates the impact in terms of the monthly water and sewer bill for a single family customer with average usage. This customer rate impact is the real test of the financial implication of the utility providing service to its current and future customers.

### E. Results

The analysis presented herein analyzes the impact upon customer's rates of the implementation of Intercoastal's Conceptual Utility Master Plan to meet the water, sewer and reclaimed water demands of the projected growth in the service area for which Intercoastal's service area extension application is filed.

A summary of the results of the analysis are presented in the chart below, followed by a discussion of the results. All supporting analyses, including a description of underlying assumptions, are presented in the schedules which are included in the Appendices at the end of this report.

INTERCOASTAL UTILITIES

		Average Monthly Bill							
Scenario	Description	1999	2002	2004	2006	2009			
Scenario 1 - Water and Sewer Rates	Mo. Water & Sewer Bill	\$54.64	\$56.64	\$47.80	\$39.20	\$36.84			
<u>at Full</u> <u>Growth</u>	% Change from 1999 Bill	0.00%	3.66%	-12.52%	-28.26%	-32.58%			
Scenario 2 - Water and Sewer Rates	Mo. Water & Sewer Bill	\$54.64	\$54.64	\$54.06	\$45.41	\$44.21			
at One Half Growth	% Change from 1999 Bill	0.00%	0.00%	-1.06%	-16.89%	-19.09%			
Scenario 3 - Reclaimed	Mo. Reclaimed Water Bill	NA	\$28.56	\$12.52	\$8.83	\$8.23			
Water Rates	% Change from 1999 Bill	NA	NA	NA	NA	NA			

Examination of the results of the analysis of each of the scenarios presented in the chart above shows the following:

- Assuming growth occurs as projected, the average monthly water and sewer bill of an Intercoastal customer in 2009, the tenth year of the forecast period will be approximately \$36.84 per month if Intercoastal serves the requested service area with its proposed capital plan. That is \$17.80 per month, or 32.6% less than its current rates,
- Assuming growth occurs at one half of that projected, the average monthly water and sewer bill of an Intercoastal customer in 2009, the tenth year of the forecast period will be approximately \$44.21 per month if Intercoastal serves the requested service area with its proposed capital plan. That is \$10.43 per month, or 19.1% less than its current rates,
- The average monthly reclaimed water bill of an Intercoastal customer in 2009, the tenth year of the forecast period will be approximately \$8.23 per month per ERC.

### F. Conclusions

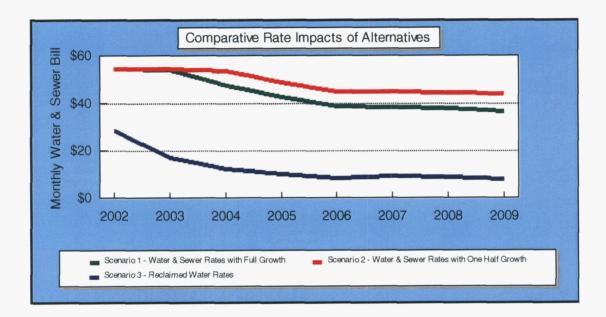
This analysis shows that Intercoastal can provide water and sewer service to the service area requested, without requiring an increase in its water and sewer rates. If growth occurs as projected, reduced rate pressure may allow Intercoastal's rates to be decreased by as much as 32.6% by 2009. If growth only occurs at one half of the projected rate, Intercoastal's rates will still not have to be

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increased and reduced rate pressure may allow Intercoastal's rates to be decreased by as much as 19.1% by 2009.

This analysis also shows that by 2005, Intercoastal can provide reclaimed water service for a cost per ERC of approximately \$8.23 per ERC per month. This cost is within the range of costs that other public utilities which we have worked with have been forecasting for reclaimed water.

The following chart presents the results of the analysis in terms of monthly water and sewer and monthly reclaimed water costs in graphical form for each year in the forecast period.



Although a number of factors probably contribute to the ability of Intercoastal to provide cost effective service to this expanded service area, one factor is that Intercoastal will begin to serve the requested area with an existing utility and customer base. Therefore, as growth occurs in the expanded service area, the current and future fixed costs of Intercoastal will be able to be spread over a larger base of customers, thus benefitting not only the future customers in the expanded service area, but also the existing customers of Intercoastal.

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### **Appendices**

This section presents three (3) Appendices, one for each of the three (3) scenarios discussed in the report. Each Appendices includes sixteen (16) figures, titled Figure 1 through Figure 16. These figures present the detailed results of the financial forecast for each respective scenario.

The figures are ordered so that as nearly as practical the earlier figures present the summary results of the analysis and data and information used in the earlier figures "rolls up" from later figures. The table of figures for Appendices 1 and 2 are the same as those shown below: Appendix 3 is slightly different and its Table of Contents is included at the beginning of the Appendix

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Figure 17	Graphs of Key Indicators - Water and Sewer System

INTERCOASTAL UTILITIES

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Appendix 1

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### Scenario 1

### Water and Sewer Rates with Full Growth

This scenario analyzes the impact upon customer's rates of Intercoastal Utilities implementing Intercoastal's plan to meet the water and sewer demands of the projected growth in the area for which Intercoastal's service area extension application is filed assuming the full growth projections in the requested service area.

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### **INTERCOASTAL UTILITIES WATER & SEWER SYSTEM** SUMMARY

Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

1	Water	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
2	Rate Plan	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-2.4%	-3.9%	-0.9%
3	Achieved Return	12.47%	4.38%	4.90%	0.33%	1.09%	2.99%	5.03%	6.26%	6.63%	6.62%	6.62%
4	Allowed Return	12.04%	7.10%	7.10%	6.73%	6.73%	6.72%	6.72%	6.70%	6.63%	6.62%	6.62%
5	Avg Mo.Cost / ERU	\$11.66	\$11.66	\$11.66	\$11.66	\$11.66	\$11.66	\$11.66	\$11.66	\$11.38	\$10.94	\$10.83
6 7 8	Achieved Return (Millions) Allowed Return (Millions) Rate Base (Millions)	\$0.116 \$0.112 \$0.934	\$0.065 \$0.106 \$1.487	\$0.072 \$0.104 \$1.462	\$0.012 \$0.242 \$3.601	\$0.040 \$0.249 \$3.696	\$0.112 \$0.252 \$3.742	\$0.188 \$0.251 \$3.738	\$0.222 \$0.237 \$3.540	\$0.233 \$0.233 \$3.521	\$0.209 \$0.209 \$3.150	\$0.203 \$0.203 \$3.063
9	Sewer											
10	Rate Plan	0.0%	0.0%	0.0%	0.0%	-0.8%	-15.2%	-13.4%	-12.0%	0.0%	-1.2%	-4.4%
11	Achieved Return	7.13%	3.04%	6.38%	2.73%	6.73%	6.70%	6.68%	6.66%	4.73%	6.62%	6.62%
12	Allowed Return	12.04%	7.10%	7.10%	6.73%	6.73%	6.72%	6.72%	6.70%	6.63%	6.62%	6.62%
13	Avg Mo.Cost / ERU	\$42.98	\$42.98	\$42.98	\$42.98	\$42.62	\$36.14	\$31.30	\$27.54	\$27.54	\$27.21	\$26.01
14 15 16	Achieved Return (Millions) Allowed Return (Millions) Rate Base (Millions)	\$0.355 \$0.600 \$4.979	\$0.148 \$0.345 \$4.855	\$0.283 \$0.315 \$4.442	\$0.309 \$0.761 \$11.311	\$0.685 \$0.685 \$10.189	\$0.608 \$0.610 \$9.070	\$0.531 \$0.535 \$7.952	\$0.455 \$0.458 \$6.835	\$0.617 \$0.865 \$13.050	\$0.758 \$0.758 \$11.442	\$0.736 \$0.736 \$11.116
17	Water & Sewer											
18	Rate Effect	NA	0.0%	0.0%	0.0%	-0.7%	-11.9%	-10.1%	-8.7%	-0.7%	-2.0%	-3.4%
19	Achieved Return	7.97%	3.36%	6.01%	2.15%	5.23%	5.62%	6.15%	6.53%	5.13%	6.62%	6.62%
20	Allowed Return	12.04%	7.10%	7.10%	6.73%	6.73%	6.72%	6.72%	6.70%	6.63%	6.62%	6.62%
21	Avg Mo.Cost / ERU	\$54.64	\$54.64	\$54.64	\$54.64	\$54.28	\$47.80	\$42.96	\$39.20	\$38.92	\$38.14	\$36.84
22 23 24	Achieved Return (Millions) Allowed Return (Millions) Rate Base (Millions)	\$0.471 \$0.712 \$5.913	\$0.213 \$0.450 \$6.342	\$0.355 \$0.419 \$5.904	\$0.321 \$1.003 \$14.912	\$0.726 \$0.934 \$13.885	\$0.720 \$0.862 \$12.812	\$0.719 \$0.786 \$11.690	\$0.677 \$0.695 \$10.375	\$0.851 \$1.098 \$16.570	\$0.967 \$0.967 \$14.592	\$0.939 \$0.939 \$14.180

> SOURCE: BURTON & ASSOCIATES C:\DATA\123\JCU\DRAFT\FAMS0207.WK4

02/08/2000

## INTERCOASTAL UTILITIES WATER & SEWER SYSTEM ASSUMPTIONS

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

Water   Capselity in ERC's   5,057   5,057   5,057   10,571   10,571   10,286   10,286   10,286   10,285   24,857   24			Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Capacity in ERC's		Assumptions	<u>1998</u>	<u>1999</u>	2000	<u>2001</u>	2002	2003	2004	2005	<u>2006</u>	<u> 2007</u>	2008	2009
Additional Capacity in ERC's														04.057
Total Capacity (1972)  Total Connected ERC's (1972)  Total Con			5,057											
4 GPD = 1 ERC 350 350 350 350 350 350 350 350 350 350						-		-		•			•	
5 Connected ERC's 5,506 5,506 5,506 5,506 5,783 6,043 7,047 8,079 9,141 10,235 11,365 12,534 13,233  7 Walden Chase 0 0 0 0 89 89 89 89 89 89 89 89 89 89 89 89 89	-													
Additional Connected ERC's    Additional Connected ERC's   0 0 0 0 0 14 14 14 14 14 14 14 14 14 14 14 14 14														
Walden Chase			5,506	5,506	5,506	5,763	6,043	7,047	8,079	9,141	10,235	11,365	12,534	13,233
Marsh Harbour   Nocatee	6													
Nocatee	7			0										
East Sv Area   0   257   280   308   333   383   388   431   470   0   0   0   1	8			0	•									
Total Additional Connected ERC's				0										
Total Connected ERC's 5,508 5,508 5,783 6,043 7,047 8,079 9,141 10,235 11,385 12,834 13,233 13,917 139 Percent Growth in Connected ERC's 0.00% 0.00% 4,87% 4,88% 16,82% 14,64% 13,14% 11,97% 11,04% 10,28% 5,57% 5,17% 5,17% 15,00% 25,00	10			0										
Percent Growth in Connected ERC's  0.00% 0.00% 4.87% 4.86% 16.82% 14.84% 13.14% 11.97% 11.04% 10.28% 5.57% 5.17% 14 Percent of Growth Applied to Expenses  25.00% 2				0										
Percent of Growth Applied to Expenses   25.00%		Total Connected ERC's	5,508	5,508	5,763	6,043	7,047	8,079						
Effective Multiplier for Growth   0.00%   0.00%   1.17%   1.22%   4.15%   3.88%   3.29%   2.99%   2.78%   2.57%   1.39%   1.29%   1.50%   1.	13	Percent Growth in Connected ERC's	0.00%	0.00%	4.67%	4.86%	16.62%	14.64%	13.14%	11.97%				
16 Inflationary Multiplier 1.50% 1.5	14	Percent of Growth Applied to Expenses	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%		25.00%				
17 Growth and Inflationary Multiplier 1.50% 1.50% 2.67% 2.72% 5.85% 5.16% 4.79% 4.49% 4.28% 4.07% 2.89% 2.79% 1.50% 1.50% 1.50% 2.67% 2.72% 5.85% 5.16% 4.79% 4.49% 4.28% 4.07% 2.89% 2.79% 1.50	15	Effective Multiplier for Growth	0.00%	0.00%	1,17%	1.22%	4.15%	3.66%	3.29%	2.99%				
18   Sawer     19   Capacity in ERC's   2,857   2,857   5,357   5,357   5,357   5,357   5,357   0   0   0   0   5,357   0   0   0   0   0   5,357   0   0   0   0   0   0   0   0   0	16	Inflationary Multiplier	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%					
19 Capacity in ERC's 2,857 2,857 5,357 5,357 5,357 8,929 8,929 8,929 8,929 8,929 14,286 14,286 20 Additional Capacity in ERC's 2,857 5,357 5,357 8,928 8,929 8,929 8,929 8,929 14,286 14,286 14,286 21 Total Capacity 2 2,857 5,357 5,357 5,357 8,928 8,929 8,929 8,929 8,929 8,929 14,286 14,286 14,286 22 GPD = 1 ERC 280 280 280 280 280 280 280 280 280 280	17	Growth and Inflationary Multiplier	1.50%	1.50%	2.67%	2.72%	5.65%	5.16%	4.79%	4.49%	4.26%	4.07%	2.89%	2.79%
19 Capacity in ERC's 2,857 2,857 5,357 5,357 5,357 8,929 8,929 8,929 8,929 8,929 14,286 14,286 20 Additional Capacity in ERC's 2,857 5,357 5,357 8,928 8,929 8,929 8,929 8,929 14,286 14,286 14,286 21 Total Capacity 2 2,857 5,357 5,357 5,357 8,928 8,929 8,929 8,929 8,929 8,929 14,286 14,286 14,286 22 GPD = 1 ERC 280 280 280 280 280 280 280 280 280 280		_												
Additional Capacity in ERC's 2,500 0 0 3,571 0 0 0 5,357 0 0 0  Total Capacity 2,857 5,357 5,357 5,357 5,357 8,229 8,929 8,929 8,929 14,286 14,288 14,288 12,280 280 280 280 280 280 280 280 280 280													44 200	14 200
Total Capacity 1 ERCs 280 280 280 280 280 280 280 280 280 280			2,857											
22 GPD = 1 ERC 280 280 280 280 280 280 280 280 280 280					-	•		-	-		-			
23 Connected ERC's 2,857 2,857 2,857 3,114 3,395 4,399 5,430 6,492 7,587 8,716 9,885 10,584 24 Additional Connected ERC's Walden Chase 0 0 0 0 89 89 89 89 89 89 89 89 89 89 89 89 89														
Additional Connected ERC's  Walden Chase  0 0 0 0 89 89 89 89 89 89 89 89 89 89 89 89 89														
25 Walden Chase 0 0 0 0 89 89 89 89 89 89 89 89 89 89 89 89 89			2,857	2,857	2,857	3,114	3,395	4,399	5,430	6,492	7,587	8,716	9,885	10,564
28 Marsh Harbour 0 0 0 0 14 14 14 14 14 14 14 14 14 14 14 0 0 27 Nocatee 0 0 0 0 598 598 598 598 598 598 598 598 598 598													••	
Nocate   0 0 0 0 586 596 596 596 596 596 596 596 596 596 59				0		-								
28 East Svc Area 0 0 257 280 308 333 383 386 431 470 0 0 0 29 Total Additional Connected ERC's 0 0 257 280 1,004 1,032 1,082 1,084 1,130 1,189 699 885 30 Imputed ERC's from 1998 Rate Case 5,357 5,357 5,357 5,357 5,357 5,357 5,357 5,357 31 Total Used & Useful ERC's 2,857 5,357 5,357 5,357 5,357 5,357 5,357 5,357 5,357 5,357 5,357 3,357 5,357 5,357 5,357 3,357 5,357				0	·	•								•
29 Total Additional Connected ERC's 0 0 257 280 1,004 1,032 1,082 1,084 1,130 1,189 699 685   30 Imputed ERC's from 1998 Rate Case 5,357 5				0										
Imputed ERC's from 1998 Rate Case   5,357														
31 Total Used & Useful ERCs 2,857 5,357 5,357 5,357 6,058 6,755 7,453 8,152 8,851 9,549 10,248 10,933 32 Percent Growth in Connected ERCs 0,00% 0,00% 9,00% 9,00% 29,58% 23,45% 19,55% 16,86% 18,89% 13,41% 7,07% 6,47% 25,00% 25,			0	•										
32 Percent Growth in Connected ERC's 0.00% 0.00% 9.00% 9.00% 29.58% 23.45% 19.55% 16.86% 14.89% 13.41% 7.07% 6.47% 25.00%	30													
33 Percent of Growth Applied to Expenses 25.00% 25.														
34 Effective Multiplier for Growth 0.00% 0.00% 2.25% 2.25% 7.40% 5.86% 4.89% 4.21% 3.72% 3.35% 1.77% 1.62% 3.5 Inflationary Multiplier 1.50% 1.5														
35 Inflationary Multiplier 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50%	33	Percent of Growth Applied to Expenses												
30 Illiadollaly Middollaly Middol	34	Effective Multiplier for Growth												
36 Growth and Inflationary Multiplier 1.50% 1.50% 3.75% 3.75% 8.90% 7.36% 6.39% 5.71% 5.22% 4.85% 3.27% 3.12%	35	Inflationary Multiplier												
	36	Growth and inflationary Multiplier	1.50%	1.50%	3.75%	3.75%	8.90%	7.36%	6.39%	5.71%	5.22%	4.85%	3.27%	3.12%

#### 37 New Debt Assumptions

38 39 Term 20 40 Issuance Costs 1.50% 41 Interest Rate 6.50%

42	O&M Reserves	Months	Percent of Annual O&M
43	Water		
44	Minimum Reserves Level	1.5	12.50%
45	Sewer		
46	Minimum Reserves Level	1.5	12.50%
47	Rates & Charges		
48	Current Service Availability Charge	\$234	\$625
70	Current Corrios / Italiasinty Criaigs	V	**

SOURCE: BURTON & ASSOCIATES C:\Data\123\CU\DRAFT\FAMS\207.WK4

### INTERCOASTAL UTILITIES WATER & SEWER SYSTEM PRO-FORMA INCOME PROJECTIONS - WATER SYSTEM

Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
<u>1999</u>	2000	2001	2002	2003	2004	2005	2006	2007	2000	2009
\$988,541	\$988,541	\$1,034,711	\$1,085,036	\$1,265,340	\$1,450,582	\$1,641,205				\$2,228,710
NA.	4,67%	4,86%	16.62%		13.14%					5.179
0										115,32
\$988,541		\$1,085,038	\$1,265,340	\$1,450,582	\$1,641,205					\$2,344,04
0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%			-0.959
0	0	0		0		0	0			(22,26
\$988,541	\$1,034,711	\$1,085,036	\$1,265,340	\$1,450,582	\$1,641,205	\$1,837,693	\$2,040,574	\$2,196,393	\$2,228,718	\$2,321,77
\$1,238	\$1,296	\$1,359	\$1,585	\$1.817	\$2,055	\$2,301	\$2,556	\$2,818	\$2,975	\$3,1
0	0	0	0	0	0		0	0	0	
\$1,238	\$1,296	\$1,359	\$1,585	\$1.817	\$2,055	\$2,301	\$2,556	\$2,818	\$2,975	\$3,1
\$989,779	\$1,038,007	\$1,085,395	\$1,266,925	\$1,452,399	\$1,643,260	\$1,639,994	\$2,043,130	\$2,199,212	\$2,231,694	\$2,324,0
			***	4447.00-	0400 000	4050 070	ene. ene.	8433.483	2407 <b>9</b> 0£	\$563.9
										\$1,108,5
										\$1,100,5
NA.										104,4
0										357.
										(243,
										4.
										\$1,896.
										\$428,
\$197,669	\$173,325	\$178,431	\$192,587	\$224,589	\$299,711	\$379,593	\$449,909	\$403,913	3437,070	<b>37</b> 20,7
			\$0					\$0		
			0			•		0	•	
										(1,
(75)	(100)	(99)	(167)	(170)	(174)	(177)	(211)	(213)	(211)	(,
(80,664)	(107,386)	(105,966)	(179,582)	(183,160)	(186,661)	(190,162)	(226,639)	(228,931)	(226,831)	(224,3
(\$81,235)	(\$108,146)	(\$106,718)	(\$180,853)	(\$184,456)	(\$188,002)	(\$191,508)	(\$228,243)	(\$230,552)	(\$228,437)	(\$225, \$202,
									\$208,838	\$202,
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
						_				
0	o o	Ō	o o	0	0	0	0	0	0	
Ö	ō_	ŏ	ŏ	Ō	ŏ	0 50	0 0 50	0 0 \$0	0 0 \$0	
	-				-	Ö	Ŏ	ŏ	ŏ	\$202,7
0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	\$0	0 \$0	0 \$0	0 \$0	0 \$0	
\$116,434	\$65,179	\$0 \$71,715	\$0 \$11,735	\$0 \$40,133	\$111,708	0 \$0 \$188,084	\$0 \$221,666	\$233,361 \$233,520,622 6.63%	\$0 \$0 \$208,638 \$3,149,593 6.62%	\$3,063, 6.6
\$0 \$118,434 \$933,943	\$65,179 \$1,486,952	\$0 \$71,715 \$1,462,184	\$11,735 \$3,601,066	\$40,133 \$3,695,866	\$111,708 \$3,742,222	\$188,084 \$3,738,006	\$221,666 \$3,540,004	\$233,361 \$3,520,622	\$0 \$0 \$208,638 \$3,149,593	\$202,7 \$3,063, 6.6 6.6 \$202.
	NA 0 3988,541 0.00% \$1,238 0 31,238 \$989,779 30 3748,138 NA 0 182,003 (143,313) 4,683 \$792,110 \$197,869 (496) (75)	NA 4.67% 0 46,170 \$1988,541 \$1,034,711 0.00% 0.00% 0 \$988,541 \$1,034,711  \$1,238 \$1,298 0 0 0 \$11,238 \$1,298 \$1,238 \$1,298 \$1,338 \$1,298 \$1,038,007  \$0 \$0 \$0 \$748,138 \$770,564 NA NA NA 0 46,562 182,603 133,899 (143,313) (93,026) 4,683 \$782,110 \$882,682 \$197,689 \$173,325  \$0 \$0 0 \$0 (498) (680) (75) (100) (80,664) (107,386)	NA 4.87% 4.86% 0 46,170 50,325 \$988,541 \$1,034,711 \$1,085,036 0.00% 0.00 0.00 0.00%	NA 4.67% 4.86% 18.62% 0.46,170 50,325 190,304 190,304 190,304 190,305 190,305 190,304 190,304 190,306	NA 4.67% 4.89% 10.62% 14.64% 0 46.170 50.325 190.304 185.241 \$1.034,711 \$1.085,038 \$1,285,340 \$1.85,241 \$1.034,711 \$1.085,038 \$1,285,340 \$1.85,382 \$0.00% 0.	NA 4.67% 4.86% 18.62% 14.64% 151.64% 0.46.170 50.325 190.304 185.241 190.623 \$1985,541 \$1,034,711 \$1,095,038 \$1,295,540 \$1,450,582 \$1,641,205 0.00% 0.	NA 467% 4.89% 16.82% 14.64% 13.14% 11.97% 0.648 185.241 190.623 196.468 \$988,541 \$1,034,711 \$1,085,035 \$1,285,540 \$1,450,582 \$1,641,205 \$1,857,683 0.00% 0.0	NA 4 87% 4.88% 14.64% 13.14% 11.97% 11.04% 20.2881   988,541 \$1,034,711 \$1,085,038 \$1,285,340 \$1,835,582 \$1,641,205 \$1,837,893 \$2,040,574   0.00% 0.00	NA 4 87% 4 88% 14.64% 13.14% 13.14% 11.97% 11.04% 10.28% 0 46.170 50.325 190.304 185.241 190.623 196.488 202.881 20.885 20.885 3885.541 \$1,034,711 \$1,085,038 \$17.285,340 \$1,350,582 \$1,647,205 \$1,837,893 \$2,040,574 \$2,250,424 0.00% 0.0	NA

<sup>(1)</sup> Allocation percentage based upon current water rate base as a percentage of total rate base.

SOURCE: BURTON & ASSOCIATES C:\DATA\123\CLADRAFT\FAMS0207.WK4

<sup>(2)</sup> For simplicity, taxable income is calculated separately for water and wastewater, however, the tax return would be filed on a consolidated basis. Furthermore, taxable income is not allowed to go negative in this model for water or wastewater. Negative taxable income in either system could offset taxable income in the other system and a net negative taxable income would result in tax credits that could potentially be carried forward or back.

### INTERCOASTAL UTILITIES WATER & SEWER SYSTEM PRO-FORMA INCOME PROJECTIONS - SEWER SYSTEM

Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

		Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	Sewer	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1	Revenues: Rate Revenue:											
ż	Rata Revenue	\$1,997,770	\$1,997,770	\$2,177,570	\$2,373,551	\$3,075,716	\$3,765,219	\$3,817,129	\$3,862,844	\$3,905,604	\$4,429,296	\$4,684,475
3	Growth Percentage	NA.	9.00%	9.00%	29.58%	23.45%	19.55%	16.86%	14.89%	13.41%	7.07%	6.47%
4	Rate Revenue from Growth	0	179,799	195,981	702,164	721,390	736,112	643,431	575,342	523,692	313,068	303,050
5	Rate Revenue Prior to Rate Adjustment	\$1,997,770	\$2,177,570	\$2,373,551	\$3,075,716	\$3,797,106	\$4,501,331	\$4,460,560	\$4,438,186	\$4,429,298	\$4,742,363 -1,22%	\$4,987,525 -4,40%
7	Percentage Rate Increase Rate Revenue from Rate Adjustment	0.00%	0.00%	0.00% 0	0.00%	-0.84% (31,887)	-15.20% (684,202)	-13.40% (597,715)	-12.00% (532,582)	0.00%	(57,888)	(219.210)
á	Total Rate Revenue	\$1,997,770	\$2,177,570	\$2,373,551	\$3,075,716	\$3,765,219	\$3,817,129	\$3,862,844	\$3,905,604	\$4,429,296	\$4,684,475	\$4,768,315
9		01,007,770	44,117,070	42,0.0,00.	45,075,110	40,700,210	40,017,124	40,002,011	40,000,00	• .,,	* .,,	
10	Other Revenue:											
11	Misc. Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 0	\$0 0
12 13	Other Revenue Total Other Revenue	<u>0</u>	0	0	0	0	0	0	0	<u>0</u>	30	30
14	Total Revenue	\$0 \$1,997,770	\$0 \$2,177,570	\$0 \$2,373,551	\$0 \$3,075,716	\$0 \$3,765,219	\$0 \$3,817,129	\$0 \$3,862,844	\$0 \$3,905,604	\$4,429,298	\$4,684,475	\$4,768,315
15		#1, <del>88</del> 7,770	\$2,177,570	\$2,373,031	\$3,073,710	33,703,218	\$3,017,12 <b>0</b>	\$3,002,044	#3,900,004	\$4,425,250	\$4,004,470	V 1,1 00,0 10
16	Expenses:											
17												
18	Additional O&M - Western Svc Area	\$0	\$0	\$0	\$280,120	\$308,076	\$331,154	\$355,806	\$380,926	\$415,232	\$435,679	\$456,245
19 20	Operating Expenses- Eastern Svc Area Rate Case Expense	\$1,195,116	\$1,492,458	\$1,551,002	\$1,688,974	\$1,813,344	\$1,929,172	\$2,039,407	\$2,145,937 56,996	\$2,250,062 56,996	\$2,323,572 56,996	\$2,396,005 56,996
21	Franchise Fee- PSC	56,995	56,996 97,991	56,996 106,810	56,996 138,407	56,996 169,435	56,996 171,771	56,996 173,828	175,752	199,318	210.801	214.574
22	Depreciation (U & U Amt Only)	436,254	526,187	541,328	740.698	941,558	998,982	1,058,282	1,119,511	1,230,459	1,249,061	1,347,153
23	Amort of CIAC (U & U Amt Only)	(262,148)	(281,441)	(302,470)	(377,813)	(455,220)	(534,875)	(616,981)	(701,759)	(721,473)	(727,452)	(812,027)
24	Amort of Acq Adj	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253
25	Total Expenses	\$1,432,471	\$1,898,444	\$1,959,918	\$2,533,635	\$2,838,442	\$2,959,453	\$3,073,591	\$3,183,617	\$3,435,847	\$3,554,910	\$3,565,198
26 27	Operating Income	\$565,299	\$279,126	\$413,833	\$542,081	\$926,777	\$857,876	\$789,253	\$721,987	\$992,448	\$1,129,565	\$1,103,117
28	Non Operating Income (Expenses):											
29	Non Oper Rev	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Taxes Other Than Income:	•••	••	•••	••	•••	•••	**	• •			
31	Intangible Tax	0	0	0	0	0	0	0	0	.0	0	.0
32	Other Taxes & Licenses	(75)	(76)	(75)	(134)	(139)	(144)	(149)	(154)	(217)	(215)	(212)
33 34	Connector Tourses	(400 705)	(494 994)	(400.000)	(000 800)	(044 405)	(240.000)	(256 424)	/200 512\	(375,016)	(371,394)	(367,081)
35	Property Taxes:	(129,725)	(131,384)	(130,382)	(232,593)	(241,195)	(249,696)	(258,124)	(266,513)	(373,010)	(571,564)	(507,557)
36	Total Non Operating Expenses	(\$129,800)	(\$131,460)	(\$130,457)	(\$232,727)	(\$241,335)	(\$249,840)	(\$258,273)	(\$266,667)	(\$375,233)	(\$371,609)	(\$367,294)
37	Net Income	\$435,499	\$147,666	\$283,175	\$309,353	\$685,442	\$607,836	\$530,980	\$455,320	\$617,216	\$757,956	\$735,824
38	Taxable income (See worksheet for taxable income below)	\$213,813	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39 40	Income Taxes: 5.50%	44 700	•					0	0	0	0	0
41	34.00%	11,760 68,698	0	0	0	0	0	0	ŏ	ŏ	ŏ	ŏ
42	Total Income Taxes	\$80,458	\$0	50	50	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	Net After Tax Income	\$355,041	\$147,666	\$283,175	\$309,353	\$685,442	\$607,836	\$530,980	\$455,320	\$617,216	\$757,956	\$735,824
44		,	,	,	,		,	,	•	•		
45	Rate Base	\$4,979,232	\$4,854,791	\$4,441,919	\$11,311,101	\$10,189,189	\$9,069,702	\$7,951,898	\$6,834,918	\$13,049,674	\$11,442,102	\$11,116,247
46												a and
47	Rate of Return Achieved	7.13%	3.04%	6.38%	2.73%	6.73%	6.70%	6.68%	6.66%	4.73%	6.62% 6.62%	6.62% 6.62%
48	Allowed Return	12.04%	7.10%	7.10%	6.73%	6.73%	6.72% \$609.932	6.72% \$534,551	6.70% \$457,671	6.63% \$864,980	\$757,955	\$735,822
**	Allowed Return Amount	\$599,500	\$344,769	\$315,412	\$761,103	\$685,441	\$009,932	\$554,001	#407,071	\$007,500	4,57,555	
50	Moderhaat for Turnhia Income											
51	Worksheet for Taxable Income:											
52	Interest Expense - Total	\$403,065	\$604,884	\$594,080	\$1,354,356	\$1,316,155	\$1,273,219	\$1,229,438	\$1,310,288	\$1,832,579	\$1,760,731	\$1,683,981
53	Allocation Percentage to Sewer (1)	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
54	Allocated Interest Expense - Sewer	221,686	332,686	326,744	744,898	723,885	700,270	676,191	720,858	1,007,918	968,402	926,190
55				/				4544 5	4400 000	****	\$757,956	\$735,824
56	Restatement of Nat Income Before Income Tax	\$435,499	\$147,006	\$283,175	\$309,353	\$685,442	\$607,836	\$530,980	\$455,320 720,658	\$617,216 1,007,918	968,402	926,190
57 58	LESS: Interest Expense - Sewer Taxable Income - Sewer (2)	221,686 \$213,813	332,686	326,744 \$0	744,896	723,885	700,270 \$0	676,191 50	/20,038 \$0	1,007,918	\$00,402	30,150
26	I EXELIE II DUITE - GEWEN (4)	₹13,013	⇒u	30	<b>3</b> 0	***	şu.	***	*0	•••	•	

<sup>(1)</sup> Allocation percentage based upon current water rate base as a percentage of total rate base.

<sup>(2)</sup> For simplicity, taxable income is calculated separately for water and wastewater, however, the tax return would be filed on a consolidated basis. Furthermore, taxable income is not allowed to go negative in this model for water or wastewater. Negative taxable income in either system could offset taxable income in the other system and a net negative taxable income would result in tax credits that could potentially be carried forward or back.

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM DEPRECIATION SCHEDULE - WATER

Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

Water

Existing Asset Depreciation

<b>.</b>	indian Anna.		Estimated									
ᅠ	isting Assets Franchises	Year	Original Cost	Life (Years)								
2	Structures	1980	\$34,630	NA 22								
3		1982	12,746	33								
4	Wells & Springs	1985	50,533	30								
5	Other Pumping	1987	4,095	20								
	Pumping Equip	1990	13,536	20								
6	Other Water Source Plant	1985	536	25								
7	Structures & Improvements	1993	35,424	33								
8	Treatment	1986	992,638	22								
9	Dist Reservoirs	1992	310,310	37								
10	Mains	1989	3,310,401	45								
11	Services	1991	745,443	40								
12	Meters	1992	344,873	20								
13	Hydrants	1992	403,951	45								
14	Other T&D	1986	33,635	25								
15	Supply Mains	1991	1,392	35								
16	General	1980	2,190	33								
17	Furniture	1994	3,688	15								
18	Power Equip	1987	732	10								
19	Misc Equip	1992	3,720	15								
20	Acqusition	1983	187,303	40								
	tal Estimated Original Cost		\$6,491,776						•			
	fjustment to 1998 Annual Report Utility Plant In Service		(29,167)									
23 To	tal Utility Plant In Service		\$6,462,609									
	epreciation Schedule - Existing Assets	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
24	Franchises											
		-	•	-	-	•	•	•				
25	Structures	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386
26	Structures Wells & Springs	1,684	1,684	1,684	1,684	1,684	1,684	1,684	1,684	\$386 1,684	\$386 1,684	\$386 1,684
26 27	Structures Wells & Springs Other Pumping	1,684 205	1,684 205	1,684 205	1,684 205	1,684 205	1,684 205	1,684 205	1,684 205	1,684	1,684	1,684
26 27 28	Structures Wells & Springs Other Pumping Pumping Equip	1,684 205 677	1,684 205 677	1,684 205 677	1,684 205 677	1,684 205 677	1,684 205 677	1,684 205 677	1,684 205 677	1,684 677	1,684 677	1,684 677
26 27 28 29	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant	1,684 205 677 21	1,684 205 677 21	1,684 205 677 21	1,684 205 677 21	1,684 205 677 21	1,684 205 677 21	1,684 205 677 21	1,684 205 677 21	1,684 677 21	1,684 677 21	1,684 677 21
26 27 28 29 30	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements	1,684 205 677 21 1,073	1,684 205 677 21 1,073	1,684 205 677 21 1,073	1,684 205 677 21 1,073	1,684 205 677 21 1,073	1,684 205 677 21 1,073	1,684 205 677 21 1,073	1,684 205 677 21 1,073	1,684 677 21 1,073	1,684 677	1,684 677
26 27 28 29 30 31	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment	1,684 205 677 21 1,073 45,120	1,684 205 677 21 1,073 45,120	1,684 205 677 21 1,073 45,120	1,684 205 677 21 1,073 45,120	1,684 205 677 21 1,073 45,120	1,684 205 677 21 1,073 45,120	1,684 205 677 21 1,073 45,120	1,684 205 677 21 1,073 45,120	1,684 677 21 1,073 45,120	1,684 677 21 1,073	1,684 677 21 1,073
26 27 28 29 30 31 32	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs	1,684 205 677 21 1,073 45,120 8,387	1,684 205 677 21 1,073 45,120 8,387	1,684 205 677 21 1,073 45,120 8,387	1,684 205 677 21 1,073 45,120 8,387	1,684 205 677 21 1,073 45,120 8,387	1,684 205 677 21 1,073 45,120 8,387	1,684 205 677 21 1,073 45,120 8,387	1,684 205 677 21 1,073 45,120 8,387	1,684 677 21 1,073 45,120 8,387	1,684 677 21 1,073 8,387	1,684 677 21 1,073 8,387
26 27 28 29 30 31 32 33	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains	1,684 205 677 21 1,073 45,120 8,387 73,564	1,684 205 677 21 1,073 45,120 8,387 73,564	1,684 205 677 21 1,073 45,120 8,387 73,584	1,684 205 677 21 1,073 45,120 8,387 73,564	1,684 205 677 21 1,073 45,120 8,387 73,584	1,684 205 677 21 1,073 45,120 8,387 73,584	1,684 205 677 21 1,073 45,120 8,387 73,584	1,684 205 677 21 1,073 45,120 8,387 73,564	1,684 677 21 1,073 45,120 8,387 73,564	1,684 677 21 1,073 - 8,387 73,584	1,684 - 677 21 1,073 - 8,387 73,564
26 27 28 29 30 31 32 33	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636	1,684 677 21 1,073 45,120 8,387 73,564 18,636	1,684 677 21 1,073 8,387 73,584 18,636	1,684 - 677 21 1,073 - 8,387 73,564 18,638
26 27 28 29 30 31 32 33 34 35	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244	1,884 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244	1,684 677 21 1,073 45,120 8,387 73,584 18,636 17,244	1,684 677 21 1,073 8,387 73,564 18,636 17,244	1,684 677 21 1,073 8,387 73,564 18,638 17,244
26 27 28 29 30 31 32 33 34 35	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants	1,684 205 677 21 1,073 45,120 8,387 73,584 18,638 17,244 8,977	1,684 205 677 21 1,073 45,120 8,387 73,564 18,638 17,244 8,977	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977	1,884 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977	1,684 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977	1,684 - 677 21 1,073 - 8,387 73,564 18,636 17,244 8,977	1,684 - 677 21 1,073 - 8,387 73,564 18,636 17,244 8,977
26 27 28 29 30 31 32 33 34 35 36 37	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants Other T&D	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244	1,884 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,884 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,884 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 677 21 1,073 - 8,387 73,564 18,636 17,244 8,977 1,345	1,684 - 677 21 1,073 - 8,387 73,564 18,638 17,244 8,977 1,345
26 27 28 29 30 31 32 33 34 35 36 37	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants	1,684 205 677 21 1,073 45,120 8,387 73,584 18,638 17,244 8,977	1,684 205 677 21 1,073 45,120 8,387 73,564 18,638 17,244 8,977	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977	1,684 205 677 21 1,073 45,120 8,387 73,554 18,636 17,244 8,977 1,345	1,884 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977	1,884 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40	1,684 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 - 677 21 1,073 - 8,387 73,564 18,636 17,244 6,977 1,345	1,684 - 677 21 1,073 - 8,387 73,564 18,638 17,244 8,977 1,345
26 27 28 29 30 31 32 33 34 35 36 37	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants Other T&D	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977 1,345 40 66	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,584 18,638 17,244 8,977 1,345 40 66	1,884 205 677 21 1,073 45,120 8,337 73,584 18,638 17,244 8,977 1,345 40 66	1,884 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 68	1,684 677 21 1,073 45,120 8,387 73,584 18,638 17,244 8,977 1,345 40 68	1,684 	1,684 - 677 21 1,073 - 8,387 73,564 18,638 17,244 8,977 1,345
26 27 28 29 30 31 32 33 34 35 36 37	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants Other T&D Supply Mains General Furniture	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,554 18,636 17,244 8,977 1,345	1,884 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,884 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40	1,684 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345	1,684 - 677 21 1,073 - 8,387 73,564 18,636 17,244 6,977 1,345	1,684 - 677 21 1,073 - 8,387 73,564 18,638 17,244 8,977 1,345
26 27 28 29 30 31 32 33 34 35 36 37 38 39	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants Other T&D Supply Mains General	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,120 8,387 73,564 18,638 17,244 8,977 1,345 40 66 246	1,684 205 877 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,120 8,387 73,554 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246	1,684 677 21 1,073 45,120 8,387 73,584 18,638 17,244 8,977 1,345 40 68	1,684 	1,684 - 677 21 1,073 - 8,387 73,564 18,638 17,244 8,977 1,345
26 27 28 29 30 31 32 33 34 35 36 37 38 39 40	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants Other T&D Supply Mains General Furniture	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40	1,684 205 677 21 1,073 45,120 8,387 73,584 18,638 17,244 8,977 1,345 40	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977 1,345 40 66	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66	1,684 205 677 21 1,073 45,120 8,387 73,584 18,638 17,244 8,977 1,345 40 66	1,884 205 677 21 1,073 45,120 8,337 73,584 18,638 17,244 8,977 1,345 40 66	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246	1,684 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 248	1,684 	1,684 677 21 1,073 8,387 73,564 18,638 17,244 8,977 1,345 40 66
26 27 28 29 30 31 32 33 34 35 36 37 38 39 40	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants Other T&D Supply Mains General Fumiture Power Equip	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246	1,884 205 6777 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 246 248	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 248	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 60 60 64 246 248 4,683	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 248	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,245 40 66 246 246 248	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246	1,684 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 248	1,684 677 21 1,073 - 8,387 73,584 18,636 17,244 5,977 1,345 40 66 246	1,684 
26 27 28 29 30 31 32 33 34 35 38 39 40 41 42 43	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants Other T&D Supply Mains General Furniture Power Equip Misc Equip	1,684 205 677 21 1,073 45,120 8,387 73,564 18,638 17,244 8,977 1,345 40 68 246	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,102 8,387 73,584 18,636 17,244 8,977 1,345 40 66 246	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 4,683	1,684 205 877 21 1,073 45,120 8,387 73,554 18,636 17,244 8,977 1,345 40 66 246 248 4,683	1,884 205 677 21 1,073 45,120 8,387 73,554 18,636 17,244 8,977 1,345 40 66 246 248 4,683	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 4,683	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 248 4,683	1,684 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 68 248 248 4,683	1,684 677 21 1,073 8,387 73,564 18,636 17,244 5,977 1,345 40 66 246 246 4,683	1,684 677 21 1,073 8,387 73,554 18,636 17,244 8,977 1,345 40 66
26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants Other T&D Supply Mains General Furniture Power Equip Misc Equip Acquestion	1,684 205 677 21 1,073 45,120 8,387 73,584 18,638 17,244 8,977 1,345 40 68 246 248	1,884 205 6777 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 246 248	1,684 205 677 21 1,073 45,120 8,387 73,584 18,636 17,244 8,977 1,345 40 66 246	1,684 205 6777 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 4,683 \$182,603 3,831	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 4,683 \$182,603 3,831	1,884 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 4,683 \$182,803 3,831	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 4,683 \$182,603 3,831	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 4,683 \$182,603 3,831	1,684 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 248 4,683 \$182,150 3,831	1,684 677 21 1,073 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 246 4,683 \$137,030 3,831	1,684 677 21 1,073 8,387 73,564 18,636 17,244 8,977 1,345 66 66 4,683 \$136,784 3,831
26 27 28 29 30 31 32 33 34 35 38 37 38 39 40 41 42 43 44 45 A	Structures Wells & Springs Other Pumping Pumping Equip Other Water Source Plant Structures & Improvements Treatment Dist Reservoirs Mains Services Meters Hydrants Other T&D Supply Mains General Furniture Power Equip Misc Equip Acquesition Ital Existing Depreciation	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 68 246 248 4,683	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 248 4,683	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 248 4,683	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 4,683	1,684 205 877 21 1,073 45,120 8,387 73,554 18,636 17,244 8,977 1,345 40 66 246 248 4,683	1,884 205 677 21 1,073 45,120 8,387 73,554 18,636 17,244 8,977 1,345 40 66 246 248 4,683	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 4,683	1,684 205 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 66 246 248 4,683	1,684 677 21 1,073 45,120 8,387 73,564 18,636 17,244 8,977 1,345 40 68 248 248 4,683	1,684 677 21 1,073 8,387 73,564 18,636 17,244 5,977 1,345 40 66 246 246 4,683	1,684 677 21 1,073 8,387 73,554 18,636 17,244 8,977 1,345 40 66

SOURCE: BURTON & ASSOCIATES C:\DATA\123\CU\DRAFT\FAMS0207.WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM DEPRECIATION SCHEDULE - WATER

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

Water

#### **New Asset Depreciation**

		Estimated								
	New Assets	Year	Original Cost	Life (Years)						
1	Water Plant- East Svc Area	2000	\$1,500,000	26						
2	12" PVC Water Main	2002	405,000	45						
3	16" PVC Water Main	2002	608,000	45						
4	750 GPM Supply Wells	2002	150,000	30						
5	12" PVC Well Header	2002	90,000	45						
6	1.5 MG Reservoir w/ Aerator	2002	500,000	40						
7	Pumping Station #1 Complete	2002	1,400,000	25						
8	Engineering & Contingency	2002	813,250	30						
9	2.0 MG Reservoir w. Aerator	2006	700,000	40						
10	Expand Pump Station #1	2006	600,000	20						
11	750 GPM Supply Wells	2006	150,000	30						
12	12" PVC Well Header	2006	60,000	45						
13	16" PVC Well Header	2006	38,000	45						
14	Engineering & Contingency	2006	387,000	30						
15	Land	2000	100,000	-						

	Depreciation Schedule - New Assets	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
16			-	\$28,846	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692
17			-			4,500	9,000	9,000	9,000	9,000	9,000	9,000	9,000
18	16" PVC Water Main		-	•	-	6,756	13,511	13,511	13,511	13,511	13,511	13,511	13,511
19			•		•	2,500	5,000	5,000	5,000	5,000	5,000	5,000	5,000
20	12" PVC Well Header		•		•	1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
21			•			6,250	12,500	12,500	12,500	12,500	12,500	12,500	12,500
22			-	-	-	28,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000
23	Engineering & Contingency		•	-	•	13,554	27,108	27,108	27,108	27,108	27,108	27,108	27,108
24			-	-	-			•	-	8,750	17,500	17,500	17,500
25	Expand Pump Station #1		-	-	-	-	-		-	15,000	30,000	30,000	30,000
26			-	-	-	-	-	•	-	2,500	5,000	5,000	5,000
27	12" PVC Well Header			-	-	-	-	-	-	667	1,333	1,333	1,333
28	16" PVC Well Header			-	-	-	-	-	-	422	844	844	844
29	Engineering & Contingency		-		-	-	-	•	-	6,450	12,900	12,900	12,900
30	Land		•	-	•	-	-	•	-	•	-	•	-
47	CIAC Plant		•	5,178	10,822	31,044	51,820	73,199	95,236	117,991	141,526	155,596	169,384
48	Total New Depreciation		•	\$34,024	\$68,515	\$151,296	\$234,632	\$256,011	\$278,048	\$334,591	\$391,916	\$405,986	\$419,774
	Total Depreciation - Water												
49	Total Existing Depreciation		\$182,603	\$182,603	\$182,603	\$182,603	\$182,603	\$182,603	\$182,603	\$182,603	\$182,150	\$137,030	\$136,784
50	Total New Depreciation			34,024	68,515	151,296	234,632	256,011	278,048	334,591	391,916	405,986	419,774
51	Total Depreciation		\$182,603	\$216,627	\$251,117	\$333,899	\$417,234	\$438,614	\$460,651	\$517,194	\$574,066	\$543,016	\$556,558
52	Accumulated Depreciation	\$1,635,149	\$1,817,752	\$2,034,379	\$2,285,496	\$2,619,395	\$3,036,629	\$3,475,243	\$3,935,894	\$4,453,088	\$5,027,153	\$5,570,169	\$6,126,727

SOURCE: BURTON & ASSOCIATES C:\DATA\123\CU\DRAFT\FAMS\0207\WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM DEPRECIATION SCHEDULE - SEWER

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

SEWER:

#### Existing Asset Depreciation

	Estimated								
	Year	Original Cost	Life (Years)						
Franchises	1980	\$34,630	NA						
Sewers-Force	1991	1,209,416	30						
Sewers-Gravity	1989	4,843,762	45						
Other	1985	75,209	40						
Services	1991	737,204	38						
Receiving Well	1991	459,021	30						
Pumping Equip	1992	996,960	18						
Structures	1986	78,871	32						
Treat Equip	1990	1,840,940	18						
Outfall Sewer	1987	4,941	30						
Other Treatment	1991	13,265	18						
Structures	1994	90,237	32						
General	1981	6,241	32						
Furniture	1986	711	15						
Laboratory	1995	7,747	15						
Power Equip	1983	732	12						
Misc Equip	1989	1,589	15						
Acquisition	1983	243,854	39						
		\$10,645,330							
		308,909							
Total Utility Plant In Service		\$10,954,239							
	Sewers-Gravity Other Services Receiving Well Pumping Equip Structures Treat Equip Outfall Sewer Other Treatment Structures General Furniture Laboratory Power Equip Misc Equip Acquisition Total Estimated Original Cost Adjustment to 1998 Annual Report Utility Plant In Service	Franchises         1980           Sewers-Force         1991           Sewers-Gravity         1989           Other         1985           Services         1991           Receiving Well         1991           Pumping Equip         1992           Structures         1986           Treat Equip         1990           Outfall Sewer         1987           Other Treatment         1991           Structures         1994           General         1981           Furniture         1986           Laboratory         1995           Power Equip         1983           Misc Equip         1983           Acquisition         1983           Total Estimated Original Cost         Adjustment to 1998 Annual Report Utility Plant In Service	Existing Assets         Year         Original Cost           Franchises         1980         \$34,630           Sewers-Force         1991         1,209,416           Sewers-Gravity         1989         4,843,762           Other         1985         75,209           Services         1991         737,204           Receiving Well         1991         459,021           Pumping Equip         1992         996,960           Structures         1986         78,871           Treat Equip         1990         1,840,940           Outfall Sewer         1987         4,941           Other Treatment         1991         132,265           Structures         1994         90,237           General         1981         6,241           Furniture         1985         7,747           Laboratory         1985         7,747           Power Equip         1983         732           Misc Equip         1983         732           Misc Equip         1983         732           Total Estimated Original Cost         \$10,645,330           Adjustment to 1998 Annual Report Utility Plant In Service         308,909						

De	epreciation Schedule - Existing Assets	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
22	Franchises	•	-	-	-	-	-	-	-		-	•
23	Sewers-Force	\$40,314	\$40,314	\$40,314	\$40,314	\$40,314	\$40,314	\$40,314	\$40,314	\$40,314	\$40,314	\$40,314
24	Sewers-Gravity	107,639	107,639	107,639	107,639	107,639	107,639	107,639	107,639	107,639	107,639	107,639
25	Other	1,880	1,880	1,880	1,880	1,880	1,880	1,880	1,880	1,880	1,880	1,880
26	Services	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400
27	Receiving Well	15,301	15,301	15,301	15,301	15,301	15,301	15,301	15,301	15,301	15,301	15,301
28	Pumping Equip	55,387	55,387	55,387	55,387	55,387	55,387	55,387	55,387	55,387	55,387	55,387
29	Structures	2,465	2,465	2,465	2,465	2 465	2,465	2,465	2,465	2,465	2,465	2,465
30	Treat Equip	102,274	102,274	102,274	102,274	102,274	102,274	102,274	102,274	102,274	•	-
31	Outfail Sewer	165	165	165	165	165	165	165	165	165	165	165
32	Other Treatment	737	737	737	737	737	737	737	737	737	737	-
33	Structures	2,820	2,820	2,820	2,820	2,820	2,820	2,820	2,820	2,820	2,820	2,820
34	General	195	195	195	195	195	195	195	195	195	195	195
35	Furniture	47	47			-	-	-		-	-	-
36	Laboratory	516	516	516	516	516	516	516	516	516	516	516
37	Power Equip	•	-	-			-		-	-	-	-
38	Misc Equip	106	106	106	106	106	•	-	-	•	-	-
39	Acquisition	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253
40 To	tal Existing Depreciation	\$355,499	\$355,499	\$355,452	\$355,452	\$355,452	\$355,346	\$355,346	\$355,346	\$355,346	\$253,071	\$252,334
	ljustment to Reconcile to Accounting Records	4,756	4,756	4,756	4,756	4,756	4,756	4,756	4,756	4,756	4,756	4,756
	tal Existing Depreciation	\$360,255	\$360,255	\$360,208	\$360,208	\$360,208	\$360,102	\$360,102	\$360,102	\$360,102	\$257,827	\$257,090

SOURCE: BURTON & ASSOCIATES

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# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM DEPRECIATION SCHEDULE - SEWER

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

SEWER:

New Asset Depreciation

		Estimated								
	New Assets	Year	Original Cost	Life (Years)						
1 -	WWTP Improvement East Svc Area	1999	\$3,343,962	22						
2	Lift Station (Marsh Harbour)	2002	70,000	21						
3	Lift Station (Walden Chase)	2002	115,000	21						
4	6" PVC Force Main	2002	283,500	30						
5	8" PVC Force Main	2002	310,500	30						
6	1.0 MGD WWTP	2002	5,000,000	26						
7	12" PVC Outfall	2002	450,000	30						
8	Engineering & Contingency	2002	1,619,750	30						
9	1.5 MGD WWTP Expansion	2007	6,750,000	26						
10	Lift Station Nocatee	2007	115,000	21						
11	8" PVC Force Main	2007	115,000	30						
12	Engineering & Contingency	2007	1,745,000	30						
13	Land	2000	250,000	-						

\$2,768,561 \$3,204,815

De	preciation Schedule - New Assets	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
14	WWTP Improvement East Svc Area	\$75,999	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998
15	Lift Station (Marsh Harbour)	-	•	-	1,667	3,333	3,333	3,333	3,333	3,333	3,333	3,333
16	Lift Station (Walden Chase)	-	-		2,738	5,476	5,476	5,47,6	5,476	5,476	5,476	5,476
17	6" PVC Force Main	•	-	-	4,725	9,450	9,450	9,450	9,450	9,450	9,450	9,450
18	8" PVC Force Main	-	-	-	5,175	10,350	10,350	10,350	10,350	10,350	10,350	10,350
19	1.0 MGD WWTP	-	-	-	96,154	192,308	192,308	192,308	192,308	192,308	192,308	192,308
20	12" PVC Outfail	•	-	-	7,500	15,000	15,000	15,000	15,000	15,000	15,000	15,000
21	Engineering & Contingency		-	-	26,996	53,992	53,992	53,992	53,992	53,992	53,992	53,992
22	1.5 MGD WWTP Expansion		•	-	-	-	•	-	-	129,808	259,615	259,615
23	Lift Station Nocatee	-		•	-	-		-	-	2,738	5,476	5,476
24	8" PVC Force Main	•		-	-	•	-	-	•	1,917	3,833	3,833
25	Engineering & Contingency	•			-	-	•		-	29,083	58, 167	58,167
26	Land	•		•	-	•	-	-	-	-	•	•
27	CIAC Plant	•	13,934	29,122	83,538	139,443	196,973	256,273	317,503	380,835	418,696	455,798
28 To	tal New Depreciation	\$75,999	\$165,932	\$181,120	\$380,490	\$581,351	\$638,880	\$698,180	\$759,410	\$986,288	\$1,187,695	\$1,224,797
To	tal Depreciation - Sewer											
29 To	tal Existing Depreciation	\$360,255	\$360,255	\$360,208	\$360,208	\$360,208	\$360,102	\$360,102	\$360,102	\$360,102	\$257,827	\$257,090
30 To	tal New Depreciation	75,999	165,932	181,120	380,490	581,351	638,880	698,180	759,410	986,288	1,187,695	1,224,797
31 <b>To</b>	tal Depreciation	\$438,254	\$526,187	\$541,328	\$740,698	\$941,558	\$998,982	\$1,058,282	\$1,119,511	\$1,346,390	\$1,445,522	\$1,481,887

\$3,731,002 \$4,272,330 \$5,013,028 \$5,954,586 \$6,953,588 \$8,011,850 \$9,131,362 \$10,477,751 \$11,923,273 \$13,405,161

32 Accumulated Depreciation
SOURCE: BURTON & ASSOCIATES
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### INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - WATER

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

### Water - Existing CIAC

### **Existing CIAC**

		Estimated							
	Existing CIAC- Plant	Year	Original Cost	Life (Years)					
1	Other	1989	\$29,688	30					
2	Dist Reservoirs & Standpipes	1992	24,490	37					
3	Transmission & Dist Mains	1988	2,585,764	45					
4	Services	1990	559,129	40					
5	Meters & Meter Installs	1992	181,201	20					
6	Hydrants	1990	307,505	45					
7	Total Existing CIAC - Plant	T	\$3,687,777						

		Estimated							
	Existing CIAC - Cash	Year Original Cost Life (Years)							
8	Cash	1991 \$1,318,650 30							
9	Total Existing CIAC - Cash	\$1,318,650							
10	Total Existing CIAC	\$5,006,427							
11	Adjustment to 1998 Annual Report	130,062							
12	Total Existing CIAC	\$5,136,489							

#### **Amortization of Existing CIAC**

1	Amortization Schedule - Existing Plant CIAC	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
13 14 15 16 17	Other Dist Reservoirs & Standpipes Transmission & Dist Mains Services Meters & Meter Instalis Hydrants	\$990 662 57,461 13,978 9,060 6,833										
19 7	otal Plant Amortization	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985
- /	Amortization Schedule - Existing Cash CIAC											

Amortization Schedule - Existing Cash Cinc											
20 Cash	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955
21 Total Cash CIAC Amortization	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955
22 Total Existing CIAC Amortization	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940
23 Adjustment to Reconcile to Accounting Records	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373
24 Total Existing CIAC Amortization	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	*** \$143,313	\$143,313

SOURCE: BURTON & ASSOCIATES C:\DATA\123\cux\Draft\fams\0207.WK4



02/07/2000

## INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - WATER

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

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14	ew.	u	-	

SOURCE: BURTON & ASSOCIATES

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			<u>1999</u>	2000	2001	2002	2003	2004	2005	2006	2007	2005	2009
1	New CIAC- Plant: New CIAC- Plant	\$604	_	\$155,344	\$169,325	\$606,661	\$623,272	\$641,377	\$661,113	\$682,624	\$706,072	\$422,096	\$413,639
2	Life	30	•	\$100,044	\$105,325	\$000,001	\$023,212	904 I <sub>1</sub> 37 I	\$001,113	•	•	•	
3	Total New CIAC - Plant		•	\$155,344	\$169,325	\$606,661	\$623,272	\$641,377	\$661,113	\$682,624	\$706,072	\$422,096	\$413,639
4	New CIAC - Cash:												
6	New CIAC - Cash Life	30	-	\$60,287	\$65,713	\$235,437	\$241,884	\$248,910	\$256,569	\$264,918	\$274,017	\$163,810	\$160,528
7	Total New CIAC - Cash		-	\$60,287	\$65,713	\$235,437	\$241,884	\$248,910	\$256,569	\$264,918	\$274,017	\$163,810	\$160,528
8	Total New CIAC			\$215,631	\$235,038	\$842,098	\$865,156	\$890,288	\$917,682	\$947,542	\$980,089	\$585,907	\$574,167
	Amortization of New CIAC												
	Amortization Schedule - New CIAC Assets		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
9	New CIAC - Plant Amortization		_	\$5,178	\$10.822	\$31,044	\$51,820	\$73,199	\$95,236	\$117,991	\$141,526	\$155,596	\$169,384
10		······································	<del></del>	\$5,178 \$5,178	\$10,822	\$31,044	\$51,820 \$51,820	\$73,199 \$73,199	\$95,236 \$95,236	\$117,991	\$141,526	\$155,596	\$169,384
							•						
	New CIAC - Cash Amortization		•	\$2,010	\$4,200	\$12,048	\$20,111	\$28,408	\$36,960	\$45,791	\$54,925	\$60,385	\$65,736
11	Total New CIAC - Cash Amortization		-	\$2,010	\$4,200	\$12,048	\$20,111	\$28,408	\$36,960	\$45,791	\$54,925	\$60,385	\$65,736
12	Total New CIAC Amortization		•	\$7,188	\$15,022	\$43,092	\$71,931	\$101,607	\$132,196	\$163,781	\$196,451	\$215,981	\$235,120
				•				•		. ,			
_													
	Summary of CIAC & CIAC Amortization	tion - Water											
	CIAC	Existing 1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
13 14		\$5,136,489		\$215,631	\$235,038	\$842,098	\$865,156	\$890,288	\$917,682	\$947,542	\$980,089	\$585,907	\$574,167
15		\$5,136,489	\$5,136,489	\$5,352,120	\$5,587,159	\$6,429,257	\$7,294,413	\$8,184,700	\$9,102,383		\$11,030,014	\$11,615,921	
16	CIAC Amortization Total Existing CIAC Annual Amortization		\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313
17	Total New CIAC Annual Amortization		-	7,188	15,022	43,092	71,931	101,607	132,196	163,781	196,451	215,981	235,120
18	Total CIAC Annual Amortization - Water		\$143,313	\$150,501	\$158,335	\$186,405	\$215,244	\$244,920	\$275,509	\$307,094	\$339,764	\$359,294	\$378,433
19	Accumulated CIAC Amortization	\$1,078,705	\$1,222,018	\$1,372,518	\$1,530,853	\$1,717,258	\$1,932,502	\$2,177,422	\$2,452,931	\$2,760,025	\$3,099,789	\$3,459,083	\$3,837,515
			·			·							

### INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - SEWER

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

### Sewer - Existing CIAC

### **Existing CIAC**

	<b>.</b>	Estimated							
	Existing CIAC - Plant	Year	Original Cost	Life (Years)					
1	Other	1992	\$73,594	30					
2	Sewers - Force	1989	860,755	30					
3	Sewers - Gravity	1988	3,717,755	45					
4	Other - Collecting	1985	62,148	40					
5	Services	1990	561,347	38					
6	Structures	1997	5,500	32					
7	Receiving Well	1991	247,738	30					
8	Pumping Equipment	1990	501,274	18					
9	Total Existing CIAC - Plant	<del></del>	\$6,030,111						

	Existing CIAC - Cash	Year	Original Cost	Life (Years)
10	Cash	1992	\$2,386,734	30
	Total Existing CIAC - Cash		\$2,386,734	
11	Total Existing CIAC		\$8,416,845	
	Adjustment to 1998 Annual Report		185,922	
13	Total Existing CIAC		\$8,602,767	

### **Amortization of Existing CIAC**

	Amortization Schedule - Existing Plant CIAC	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
14	Other	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453
15	Sewers - Force	28,692	28,692	28,692	28,692	28,692	28,692	28,692	28,692	28,692	28,692	28,692
16	Sewers - Gravity	82,617	82,617	82,617	82,617	82,617	82,617	82,617	82,617	82,617	82,617	82,617
17	Other - Collecting	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554
18	Services	14,772	14,772	14,772	14,772	14,772	14,772	14,772	14,772	14,772	14,772	14,772
19	Structures	172	172	172	172	172	172	172	172	172	172	172
20	Receiving Well	8,258	8,258	8,258	8.258	8,258	8,258	8,258	8,258	8,258	8,258	8,258
21	Pumping Equipment	27,849	27,849	27,849	27,849	27,849	27,849	27,849	27,849	27,849		
22	Total Plant Amortization	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$138,518	\$138,518

	Amortization Schedule - Existing Cash CIAC											
23		\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558
24	Total Cash CIAC Amortization	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558
	Total Existing CIAC Amortization	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$218,075	\$218,075
	Adjustment to Reconcile to Accounting Records	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$44,072	\$44,072
25	Total Existing CIAC Ameritzation	\$262,148	3262 148	\$262.148	\$262.148	\$262.148	\$262.148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148

SOURCE: BURTON & ASSOCIATES C:\DATA\123\ICU\DRAFT\FAMS0207.WK4

### INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - SEWER

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

### **New CIAC**

	New CIAC - Plant: New CIAC - Plant	\$1.626		\$418,018	\$455,640	\$1,632,473	\$1,677,171	\$1,725,892	\$1,778,998	\$1,836,884	\$1,899,979	\$1,135,825	\$1,113,067
2	Life	30	•	\$410,010	\$400,040	\$1,032,473	\$1,077,171	\$1,725,652	\$1,770,550	\$1,000,004	\$1,033,373		
3	Total New CIAC - Plant		-	\$418,018	\$455,640	\$1,632,473	\$1,677,171	\$1,725,892	\$1,778,998	\$1,836,884	\$1,899,979	\$1,135,825	\$1,113,067
	New CIAC - Cash:										<b>4744</b> 744	0400 007	\$428,074
5	New CIAC- Cash Life	30	•	\$160,766	\$175,235	\$627,833	\$645,024	\$663,761	\$684,185	\$706,447	\$730,713	\$436,827	3420,074
6	Total New CIAC - Cash			\$160,766	\$175,235	\$627,833	\$645,024	\$663,761	\$684,185	\$706,447	\$730,713	\$436,827	\$428,074
7	Total New CIAC		-	\$578,784	\$630,875	\$2,260,306	\$2,322,195	\$2,389,653	\$2,463,183	\$2,543,331	\$2,630,692	\$1,572,653	\$1,541,141
	Amortization of New CIAC												
	Amortization Schedule - New CIAC Assets		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
8	New CIAC - Plant Amortization		_	\$13,934	\$29,122	\$83,538	\$139,443	\$196,973	\$256,273	\$317,503	\$380,835	\$418,696	\$455,798
9	Total New CIAC - Plant Amortization		-	\$13,934	\$29,122	\$83,538	\$139,443	\$196,973	\$256,273	\$317,503	\$380,835	\$418,696	\$455,798
10	New CIAC- Cash Amortization		_	\$5,359	\$11,200	\$32,128	\$53,629	\$75,754	\$98,560	\$122,108	\$146,465	\$161,026	\$175,296
11	Total Cash Amortization		•	\$5,359	\$11,200	\$32,128	\$53,629	\$75,754	\$98,560	\$122,108	\$146,465	\$161,026	\$175,296
12	Total New CIAC Amortization		•	\$19,293	\$40,322	\$115,665	\$193,072	\$272,727	\$354,833	\$439,611	\$527,301	\$579,722	\$631,094
	Summary of CIAC & CIAC Amortiza	ation - Sewer									<del></del>		
	CIAC	Existing 1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
13		\$8,602,767									2,630,692	1,572,653	1,541,141
14 15	Total New CIAC Total Accumulated CIAC - Sewer	\$8,602,767	\$8,602,767	578,784 \$9,181,551	630,875 \$9,812,426	2,260,306 \$12,072,731	2,322,195 \$14,394,926	2,389,653 \$16,784,579	2,463,183 \$19,247,763	2,543,331 \$21,791,094		\$25,994,439	\$27,535,579
	CIAC Amortization												
16			\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148 579,722	\$262,148 631,094
17 18	Total New CIAC Annual Amortization Total CIAC Annual Amortization - Sewer		\$262,148	19,293 \$281,441	40,322 \$302,470	115,665 \$377,813	193,072 \$455,220	272,727 \$534,875	354,833 \$616,981	439,611 \$701,759	527,301 \$789,448	\$841,870	\$893,242
10	TOTAL CINO ATTIGAT ATTORIZATION - 36W61		9404, 140	<b>3</b> 201, <b>94</b> 1	#3UZ,97U	#311,013	3400,220	\$004,075	90 10 <sub>1</sub> 30 1	·			•
19	Accumulated CIAC Amortization	\$1,936,237	\$2,198,385	\$2,479,825	\$2,782,295	\$3,160,108	\$3,615,328	\$4,150,203	\$4,767,184	\$5,468,943	\$6,258,391	\$7,100,261	\$7,993,503
~	Total Water & Sewer		<b>6405.464</b>	e40E 484	e408.484	P40E 404	C 40E 404	\$405,461	\$405,461	\$405,461	\$405,461	\$405,461	\$405,461
20	Total Existing CIAC Annual Amortization - Water & S		\$405,461	\$405,461 26,481	\$405,461 55,344	\$405,461 158,758	\$405,461 265,003	\$405,461 374,334	487,030	603,392	723,751	795,703	866,214
22			\$405,461	\$431,941	\$460,805	\$564,218	\$670,463	\$779,795	\$892,490	\$1,008,853		\$1,201,164	\$1,271,674

SOURCE: BURTON & ASSOCIATES C:\DATA\123\cu\DRAFT\FAMS0207.WK4

02/07/2000

### INTERCOASTAL UTILITIES WATER & SEWER SYSTEM RATE BASE

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

		<u>1999</u>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	Water Percent Contributed	84%	64%	66%	4004	E404	#00V	0404	# COV	60%	62%	65%
ż	Utility Plant in Service				46%	51%	56%	61%	56%		\$18.631,744	\$19,045,383
-	·	\$6,462,609	\$8,217,953	\$8,387,279	\$12,960,189	\$13,583,461	\$14,224,839	\$14,885,951	\$17,503,576	\$18,209,648	\$18,031,744	319,040,303
3	include Construction Work in Progress? NO	0	0	0	0	0	0	0	0	0	0	0
4	Less: Accumulated Depreciation	(1,817,752)	(2,034,379)	(2,285,496)	(2,619,395)	(3,036,629)	(3,475,243)	(3,935,894)	(4,453,088)	(5,027,153)	(5,570,169)	(6,126,727)
5	Utility Plant In Service less Accum Depr.	\$4,644,857	\$6,183,575	\$6,101,783	\$10,340,795	\$10,546,832	\$10,749,596	\$10,950,058	\$13,050,488	\$13,182,494	\$13,061,575	\$12,918,656
6	Less: Accumulated CIAC	(5, 136, 489)	(5,352,120)	(5,587,159)	(6,429,257)	(7,294,413)	(8,184,700)	(9,102,383)	(10,049,925)	(11,030,014)	(11,615,921)	(12,190,087)
7	Plus: Accumulated Amortization of CIAC	1,222,018	1,372,518	1,530,853	1,717,258	1,932,502	2,177,422	2,452,931	2,760,025	3,099,789	3,459,083	3,837,515
8	Net Utility Plant in Service	\$730,386	\$2,203,973	\$2,045,477	\$5,628,796	\$5,184,921	\$4,742,317	\$4,300,606	\$5,760,588	\$5,252,269	\$4,904,737	\$4,566,084
9	Plue or Minue:	•		, ,						, .		
10	Acquisition Adjustments	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303
11	Accumulated Amort of Acq Adjustments	(77,263)	(81,946)	(86,629)	(91,312)	(95,995)	(100,678)	(105,361)	(110,044)	(114,727)	(119,410)	(124,093)
12	Working Capital Allowance 12.50% of O&M	93,517	96,321	99,254	104,867	110,278	115,555	120,747	125,891	131,015	134,807	138,573
13	Other	0	0	0	0	0	0	0	0	0	. 0	0
14	Net Utility Plant In Service	\$933,943	\$2,405,650	\$2,245,406	\$5,829,654	\$5,386,507	\$4,944,497	\$4,503,295	\$5,963,738	\$5,455,860	\$5,107,438	\$4,767,866
15	U&U Percentage	100.00%	61.81%	65,12%	61.77%	68.61%	75.68%	83.01%	59,36%	64.53%	61.67%	64.25%
16	Rate Base	\$933,943	\$1,486,952	\$1,462,184	\$3,601,086	\$3,695,866	\$3,742,222	\$3,738,006	\$3,540,004	\$3,520,622	\$3,149,593	\$3,063,468

17	Sewer: Percent Contributed	58%	60%	63%	45%	52%	59%	66%	72%	57%	59%	62%
18	Utility Plant in Service	\$14,298,201	\$14,966,219	\$15,421,859	\$24,903,082	\$26,580,253	\$28,306,145	\$30,085,143	\$31,922,027	\$42,547,006	\$43,682,831	\$44,795,898
19	Include Construction Work in Progress? NO	0	0	0	0	. 0	0	0	0	0	0	0
20	Less: Accumulated Depreciation	(3,204,815)	(3,731,002)	(4,272,330)	(5,013,028)	(5,954,586)	(6,953,568)	(8,011,850)	(9,131,362)	(10,477,751)	(11,923,273)	(13,405,161)
21	Utility Plant in Service less Accum Depr.	\$11,093,386	\$11,235,217	\$11,149,529	\$19,890,054	\$20,625,667	\$21,352,577	\$22,073,293	\$22,790,666	\$32,069,255	\$31,759,558	\$31,390,737
22	Less: Accumulated CIAC	(8,602,767)	(9,181,551)	(9,812,426)	(12,072,731)	(14,394,926)	(16,784,579)	(19,247,763)	(21,791,094)	(24,421,786)	(25,994,439)	(27,535,579)
23	Plus: Amortization of CIAC	2,198,385	2,479,825	2,782,295	3,160,108	3,615,328	4,150,203	4,767,184	5,468,943	6,258,391	7,100,261	7,993,503
24	Net Utility Plant In Service	\$4,689,004	\$4,533,491	\$4,119,399	\$10,977,431	\$9,846,069	\$8,718,201	\$7,592,715	\$6,468,515	\$13,905,860	\$12,865,381	\$11,848,661
25	Plus or Minus:											
26	Acquisition Adjustments	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854
27	Accumulated Amort of Acq Adjustments	(103,015)	(109,112)	(115,209)	(121,306)	(127,403)	(133,499)	(139,596)	(145,693)	(151,790)	(157,887)	(163,984)
28	Working Capital Allowance 12.50% of O&M	149,389	186,557	193,875	211,122	226,668	241,147	254,926	268,242	281,258	290,446	299,501
29	Other	0	0	0	0	0	0	0	0	0	0	0
30	Net Utility Plant in Service	\$4,979,232	\$4,854,791	\$4,441,919	\$11,311,101	\$10,189,189	\$9,069,702	\$7,951,898	\$6,834,918	\$14,279,182	\$13,241,794	\$12,228,032
31												
32	U&U Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	91.39%	86.41%	90.91%
33	Poto Reso	£4 979 222	£4 854 704	\$4 441 010	£11 311 101	\$10 480 480	to 060 702	\$7 051 RQR	\$6 834 018	\$13 049 674	\$11,442,102	\$11,116,247

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SOURCE: BURTON & ASSOCIATES C:\DATA\123\\CU\DRAFT\FAMS0207\\WK4

Figure 10

### INTERCOASTAL UTILITIES WATER & SEWER SYSTEM UTILITY PLANT IN SERVICE - WATER & SEWER

### Water

		Estimated Original Cost in	Svc Date	1996	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	New Assets per CIP:														
1	Water Plant- East Svc Area	\$1,500,000	2000			\$1,500,000									
2	12" PVC Water Main	405,000	2002					\$405,000							
3	16" PVC Water Main	608,000	2002					608,000							
4	750 GPM Supply Wells	150,000	2002					150,000							
5	12" PVC Well Header	90,000	2002					90,000							
6	1.5 MG Reservoir w/ Aerator	500,000	2002					500,000							
7	Pumping Station #1 Complete	1,400,000	2002					1,400,000							
8	Engineering & Contingency	813,250	2002					813,250							
9	2.0 MG Reservoir w. Aerator	700,000	2006									\$700,000			
10	Expand Pump Station #1	600,000	2006									600,000			
11	750 GPM Supply Wells	150,000	2006									150,000			
12	12" PVC Well Header	90,000	2006									60,000			
13	16" PVC Well Header	38,000	2006									38,000			
14	Engineering & Contingency	387,000	2006									387,000			
15	Land	100,000	2000			\$100,000						,			
16	Total Utility Plant in Service (not includin	ng CIAC)		\$6,482,609	\$6,462,609	\$8,062,609	\$8,062,609	\$12,028,859	\$12,028,859	\$12,028,859	\$12,028,859	\$13,963,859	\$13,963,859	\$13,963,859	\$13,963,859
	New Plant Assets per CIAC:														
17	New Plant Assets (CIAC)				••		****			****					
18	Total New Plant Assets (CIAC)				\$0	\$155,344	\$169,325	\$606,661	\$623,272	\$641,377	\$661,113	\$682,624	\$706,072	\$422,096	\$413,639
	I Ord I THE ADDRES (CIAC)			\$0	\$0	\$155,344	\$324,670	\$931,330	\$1,554,602	\$2,195,980	\$2,857,092	\$3,539,717	\$4,245,789	\$4,667,885	\$5,081,524
19 To	otal Water Utility Plant in Service			\$6,462,609	\$6,462,609	\$8,217,953	\$8,387,279	\$12,980,189	\$13,583,461	\$14,224,839	\$14,885,951	\$17,503,576	\$18,209,648	\$18,631,744	\$19,045,383

#### Sewer:

		Estimated Original Cost I	n Svc Date	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2006	2009
	New Assets per CIP:														_
20	WWTP Improvement East Svc Area	\$3,343,962	1999		\$3,343,962										
21	Lift Station (Marsh Harbour)	70,000	2002					\$70,000							
22	Lift Station (Walden Chase)	115,000	2002					115000							
23	6" PVC Force Main	283,500	2002					283500							
24	8" PVC Force Main	310,500	2002					310500							
25	1.0 MGD WWTP	5,000,000	2002					5000000							
26	12" PVC Outfall	450,000	2002					450000							
27	Engineering & Contingency	1,619,750	2002					1619750							
28	1.5 MGD WWTP Expansion	6,750,000	2007										\$6,750,000		
29	Lift Station Nocatee	115,000	2007										115,000		
30	8" PVC Force Main	115,000	2007										115,000		
31	Engineering & Contingency	1,745,000	2007										1,745,000		
32	Land	250,000	2000			\$250,000									
33	Total Utility Plant in Service (not including	NO CIAC)		\$10,954,239	\$14,298,201	\$14,548,201	\$14,548,201	\$22,396,951	\$22,398,951	\$22,396,951	\$22,396,951	\$22,396,951	\$31,121,951	\$31,121,951	\$31,121,951
		- '							··	·,,	, ,			, ,	
	New Plant Assets per CIAC:														
34	New Plant Assets (CIAC)				\$0	\$418,018	\$455,640	\$1,632,473	\$1,677,171	\$1,725,892	\$1,778,998	\$1,836,884	\$1,899,979	\$1,135,825	\$1,113,067
35	Total New Plant Assets (CIAC)			\$0	\$0	\$418,018	\$873,658	\$2,508,131	\$4,183,302	\$5,909,194	\$7,688,192	\$9,525,076	\$11,425,055	\$12,560,880	\$13,673,947
38 TC	otal Sewer Utility Plant in Service			\$10,954,239	\$14,298,201	\$14,966,219	\$15,421,859	\$24,903,082	\$26,580,253	\$28,306,145	\$30,085,143	\$31,922,027	\$42,547,006	\$43,682,831	\$44,795,898

SOURCE: BURTON & ASSOCIATES

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### INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CAPITAL IMPROVEMENTS PROGRAM

#### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

							HUNEAU											
		AMOUNT	101 800	R- MONTHS			100											
		DOST	VICE	TO CON-	% DEST	ASSET	CAPACITY											
,	ROJECT TOTAL	FUNDED PROJECT NAME	DATI	STRUCT	FUHDED		(MOD)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
H	ater						. (											
1	\$1,500,000	\$1,500,000 Water Plant- East Svc Are			100%	26	1.93		1,500,000									
2	405,000	405,000 12" PVC Water Main	200		100%	45		***************************************	***************************************		405,000		·					
3	608,000	608,000 16" PVC Water Main	200		100%	45			***************************************		608,000							
4	150,000	150,000 750 GPM Supply Wells	200		100%	30					150,000							
5	90,000	90,000 12" PVC Well Header	200		100%	45					90,000							
	500,000	500,000 1.5 MG Reservoir w/ Aerei			100%	40	2.00		<b></b>		500,000							
,	1,400,000	1,400,000 Pumping Station #1 Compl			100%	25					1,400,000							
	813,250	813,250 Engineering & Contingency			100%	30					813,250							
,	700,000	700,000 2.0 MG Reservoir w. Aera			100%	40	3.00								700,000			
10	600,000	600,000 Expand Pump Station #1	2000		100%	20									600,000			
11	150,000	150,000 750 GPM Supply Wells	2000		100%	30									150,000			www.
17	60,000	e0,000 12" PVC Well Header	200		100%	45									60,000			
13	38,000	38,000 16" PVC Well Header	200		100%	45									38,000			
14	387,000	367,000 Engineering & Contingency			100%	30									387,000			
15	100,000	100,000 Land	200	)	100%				100,000									
* -																		
17	\$7,501,250	\$7,001,200						\$0	\$1,600,000	\$0	\$3,966,250	\$0	*0	20	\$1,935,000	\$0	\$0	\$0

7	EWEN												1111				
16	\$3,343,962	\$3,343,962 WWTP Improvement East Svc Are		12	100%	22	0.70	3,343,962									
19	70,000	70,000 Lift Station (Marsh Harbour)	2002	24	100%	21	***************************************				70,000						
20	115,000	115,000 Lift Station (Walden Chase)	2002	24	100%	21	***************************************	······································			115,000	***************************************					
21	283,500	283,500 6" PVC Force Main	2002	24	100%	30	***************************************			······································	283,500						
22	310,500	310,500 8" PVC Force Main	2002	24	100%	30	***************************************				310,500						
23	5,000,000	5,000,000 1.0 MGD WWTP	2002		100%	26	1.00				5,000,000		<del></del>				
24	450,000	450,000 12" PVC Outfall	2002	24	100%	30	***************************************				450,000	***************************************					
25	1,619,750	1,619,750 Engineering & Contingency	2002		100%	30					1,619,750						
ж	6,750,000	6,750,000 1.5 MGD WWTP Expension	2007		100%	26	1,50								6,750,000		
27	115,000	115,000 Lift Station Nocatee	2007	24	100%	21	***************************************		······································						115,000		
26	115,000	115,000 8" PVC Force Main	2007	24	100%	30	**************		**************************************						115,000		
29	1,745,000	1,745,000 Engineering & Contingency	2007	24	100%	30									1,745,000		
30	250,000	250,000 Land	2000		100%			<del>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</del>	250,000	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		.,p					
31	\$20,167,712	\$20,167,712					·	\$3,343,962	\$250,000	\$0	\$7,848,750	\$0	\$0	\$0	\$0 \$8,725,000	\$0	\$0

#### TOTAL WATER & SEWER!

2 527,668,962 \$27,668,962 TOTAL WATER AND SEWER	\$3,343,962 \$1,850,000	\$0 \$11,815,000	\$0	\$0	\$0 \$1,935,000 \$8,725,00	10 \$0	\$0

SOURCE: BURTON & ABSOCIATES / PRS&J



# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM USED AND USEFUL

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1	<u>Water</u>											
2	Capacity											
3	Capacity in ERC's	5,057	5,057	10,571	10,571	16,286	16,286	16,286	16,286	24,857	24,857	24,857
4	Additional Capacity in ERC's	0	5,514	0	5,714	0	0	0	8,571	0	0	0
5	Total Capacity	5,057	10,571	10,571	16,286	16,286	16,286	16,286	24,857	24,857	24,857	24,857
6	Connection / Growth											
7	Connections in ERC's	5,506	5,506	5,763	6,043	7,047	8,079	9,141	10,235	11.365	12,534	13,233
8	Annual Growth Percent	0.00%	4.67%	4.86%	16.62%	14.64%	13.14%	11.97%	11.04%	10.28%	5.57%	5.17%
9	Additional Units	0	257	280	1,004	1.032	1.062	1.094	1,130	1,169	699	685
10	Total Connections	5,506	5,763	6,043	7,047	8,079	9,141	10,235	11,365	12,534	13,233	13,917
11	Raw U & U Percent	108.87%	54.51%	57.16%	43.27%	49.61%	56.13%	62.85%	45.72%	50.42%	53.23%	55.99%
12	PLUS: Margin Reserve @ 36 Mos.	0	771	841	3,013	3,095	3,185	3,283	3,390	3,506	2,096	2,054
13	Total Connections plus Margin Reserve	5,506	6,534	6,884	10,060	11,174	12,326	13,518	14,755	16,040	15,329	15,971
14	U & U Percent	100.00%	61.81%	65.12%	61.77%	68.61%	75.68%	83.01%	59.36%	64.53%	61.67%	64.25%
15	SEWER:											
16	Capacity											
17	Capacity in ERC's	2,857	5,357	5.357	5,357	8,929	8,929	8,929	8.929	8,929	14,286	14,286
18	Additional Capacity in ERC's	2,500	. 0	. 0	3,571	0	0	0	0	5,357	0	0
19	Total Capacity	5,357	5,357	5,357	8,929	8,929	8,929	8,929	8,929	14,286	14,286	14,286
20												
21	Connection / Growth											
22	Connections in ERC's	2,857	2,857	3,114	3,395	4,399	5,430	6,492	587,ל	8,716	9,885	10,584
23	Annual Growth Percent	0.00%	9.00%	9.00%	29.58%	23.45%	19.55%	16.86%	14.89%	13.41%	7.07%	6.47%
24	Additional Units - Eastern Service Area	0	257	280	306	333	363	396	431	470	0	0
25	Additional Units - Western Service Area	0	0	0	699	699	699	699	699	699	699	685
26	Additional Units - Total	0	257	280	1,004	1,032	1,062	1,094	1,130	1,169	699	685
27	Imputed ERC's from 1998 Rate Case		-									
28	Eastern Service Area Only	5,357	5,357	5,357	5,357	5,357	5,357	5,357	5,357	5,357	5,357	5,357
29	Total Connections	5,357	5,357	5,357	6,056	6,755	7,453	8,152	8,851	9,549	10,248	10,933
30												
31	Raw U & U Percent	100.00%	100.00%	100.00%	67.83%	75.65%	83.48%	91.30%	99.13%	66.85%	71.74%	76.53%
32	PLUS: Margin Reserve @ 36 Mos.	0	771	841	3,013	3,095	3,185	3,283	3,390	3,506	2,096	2,054
33	Total Connections plus Margin Reserve	5,357	5,357	5,357	8,929	8,929	8,929	8,929	8,929	13,056	12,344	12,987
34	U & U Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	91.39%	86.41%	90.91%

**SOURCE: BURTON & ASSOCIATES** 

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### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

					_	FY1999						FY20	900		
	Lender	Orig Loan Amount	Orig Loan Date	Term	Interest Rate	Beginning Balance	Principal	Interest	Balanca	Cost of Capital	Beginning Balance	Principal	Interest	Balance	Cost of Capital
1	First Union Bank		Olig Coult Date	10111	7.27%	\$3,835,445	\$0	\$240,454	\$3,835,445	\$278,837	\$3,835,445	\$92,264	\$323.827	\$3,743,182	\$272,129
2	Plantation Developers - WTP	\$663,486	01/01/95	20		586,864	19,385	46,914	587,479	45,058	587,479	20,843	45,456	546,636	43,403
3	Plantation Developers- Unit 9	94,651	12/23/94	20		94,650	0,000	7.443	94,650	7,515	94,650	2,015	7,443	92,635	7,355
4	Crossroads Land Ltd- Seaside Ut 2	109,535	12/23/94	20		100,002	2,857	7.989	97,145	7.713	97,145	3,179	7.766	93,966	7,461
5	Crossroads Land Ltd- Seaside Ut 3	128,650	03/28/95	20		121,143	3,257	9.331	117.886	9,030	117,886	3,493	9,095	114,393	8,762
6	TAW Nursery, Inc.	112,847	12/23/94	20		110,651	2,450	8.826	108,201	8,591	108,201	2,635	8,641	105,566	8,382
7	BAT of Palm Valley - Tom West	40,147	06/30/95	20		38,007	1,053	2,702	36,954	2,613	36,954	1,123	2.632	35,831	2,533
8	Odoms Mill Ltd.	326,832	09/25/95	20		324,938	4,489	22,733	320,469	22,433	320,469	8.051	22,356	312,417	21,869
9	Marsh Dunes	96,517	04/09/96	20		96,517	7,700	8.110	96.517	6,110	96,517	0,031	6.110	98,517	6,110
10	Arvida- Sawmili Lakes (Offsite #1)	50,000	09/12/96	20		50,000	ŏ	3,405	50,000	3,405	50,000	ŭ	3,405	50,000	3,405
11	Arvida- Sawmit Lakes (Offsite #2)	50,000	02/17/97	20		50,000	×	3,289	50,000	3,290	50,000	Š	3,289	50,000	3,290
12	Arvide- Sewmit Lakes Ut 1	464,918	06/19/97	20		450,792	11.661	31,225	439,131	30,256	439,131	12,419	30,467	426,712	29,400
13	Arvida- Sawmill Lakes Ut 2	190,030	09/08/97	20		185,785	4.722	12,644	181,063	12,258	181,063	5,024	12,342	176,039	11,918
14		00,000	000000	20	10.00%	100,700	4,722	12,044	101,003	12,230	101,003	3,024	12,372	170,039	11,510
15	New Debt- in Service:	•			10.00%	v	v	•	U	٧	U	U	v	v	ๆ
16	1999	0		20	6.50%	٨	•	^	^	٥	•	a		•	0
17	2000	1,877,750		20	6.50%	ŏ	Ň	Ň	ŏ	0	1,877,750	48,364	122,054	1,829,386	118,910
18	2001	1,5.7,750		20	6.50%	ŏ	Ň	ň	č	š	1,077,730	40,304	122,034	1,025,300	110,510
19	2002	11,992,225		20	6.50%	Ň	Ň	Ň		Š	Š	Ň	Š	ň	ŏ
20	2003	11,002,220		20		Ň	Ň	Ň	×	S)	,	ŏ	Š	Ň	ő
21	2004	ŏ		20		ŏ	ň	ŏ	×	9	ŏ	Ň	š	ŏ	ň
22	2005	ň		20		ň	ň	ň	Ň	Š	ŏ	v	ň	ň	ň
23	2006	1.964.025		20		ŏ	Ň	Ň	Ň	Š	Š	ŏ	Ň	ŏ	ŏ
24	2007	8,855,875		20		ň	Ň	ň	Ň	٥	Ň	ĭ	Ň	ŏ	ň
25	2008	0,000,07.0		20		ž	ž	Š	Š	Š	Š	Š	ž	ŏ	ام
26	2009	ň		20		Ň	ž	ň	ŏ	Š	×	×	Š	ŏ	ň
27	2000	•		20	3.30 A	v	·	٠	v	٠	v	v	·	٠	٩
28	New Debt- Construction Work in Progress;			20	7.50%			۸			0		۸	•	o
29					7.5076			•	v	٧	, ,		•	•	ı,
30		0			10.00%				0	0				0	٥
31		<u> </u>	· · · · · · · · · · · · · · · · · · ·		.0.0076	\$6,044,794	\$49,855	\$403,065	\$5,994,940	\$437,108		\$199,411	\$604,884	\$7,673,279	\$544,928
32	Weighted Average Cost of Capital					00,013,101	Ţ.0,000	<b>\$</b> .55,005	40,004,040	7.29%		Ţ.55,411	1304,004	J. ,510,210	7.10%

SOURCE: BURTON & ASSOCIATES C:DATA(12)YCUDRAFTFAM8020T,WK4

02/07/2000

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### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

					_	FY2001						FY20	02		
	Lender	Orig Loan Amount	Orig Loen Date	Term	Interest Rate	Beginning Balance	Principal	Interest	Co Batence	ost of Capital Calc	Beginning Batence	Principal	Interest	Baiance	Cost of Capital
1	First Union Bank		J 202.11 D.1.0		7.27%	\$3,743,182	\$103,552	\$320,849	\$3,639,630	\$264,601	\$3,639,630	\$114.201	\$310,199	\$3,525,429	\$256,299
2	Plentation Developers - WTP	\$663,486	01/01/95	20		546,636	22,560	43,739	524,076	41,612	524,076	24,418	41,881	499,659	39,673
3	Plantation Developers- Unit 9	94,651	12/23/94	20		92.635	2.181	7.277	90,454	7,182	90,454	2,361	7,097	88,094	6,995
4	Crossroads Land Ltd- Seaside Ut 2	109,535	12/23/94	20	7.94%	93,966	3.441	7,504	90,525	7.188	90,525	3,724	7,221	86,801	6,892
5	Crossroads Land Ltd- Seaside Ut 3	128,650	03/28/95	20	7.66%	114,393	3.770	8,818	110,622	8.474	110,622	4,070	8,519	106,553	8,162
6	TAW Nursery, Inc.	112,847	12/23/94	20	7.94%	105,566	2.852	8.425	102,714	8,155	102,714	3,087	8,190	99,627	7,910
7	BAT of Paim Valley - Tom West	40,147	06/30/95	20	7.07%	35.831	1,205	2,550	34,626	2,448	34,626	1,293	2,462	33,332	2,357
8	Odoms Mill Ltd.	326,832	09/25/95	20	7.00%	312.417	8.633	21,774	303,784	21,265	303,784	9,258	21,150	294,526	20,617
9	Marsh Dunes	96,517	04/09/96	20		96,517	2.481	6,038	94,036	5.952	94,036	2,643	5,877	91,393	5,785
10	Arvida- Sawmill Lakes (Offsite #1)	50,000	09/12/96	20		50,000	1,216	3,368	48,784	3,322	48,784	1,302	3,282	47,482	3,234
11	Arvida- Sawmili Lakes (Offsite #2)	50,000	02/17/97	20		50,000	1,249	3,253	48,751	3,208	48,751	1,334	3,168	47,417	3,120
12	Arvide- Sawmill Lakes Ut 1	484,918	06/19/97	20		426,712	13,302	29,584	413,410	28,484	413,410	14,248	28,638	399,161	27,502
13	Arvide- Sawmill Lakes Ut 2	190,030	09/08/97	20	6.77%	176,039	5,375	11,991	170.664	11,554	170,664	5,750	11,616	164,914	11,165
14	Equity				10.00%	0	0	0	0	0	. 0	. 0	0	0	0
15	New Debt- In Service:									-1					
16	1999	0		20	6,50%	0	0	0	0	o	0	0	0	0	0
17	2000	1,877,750		20		1,829,386	51,508	118,910	1,777,878	115,562	1,777,878	54,856	115,562	1,723,022	111,996
18	2001	0		20		0	0	0	0	0	´ ` o	. 0	0	0	0
19	2002	11,992,225		20	6.50%	Ó	Ó	0	Ö	o	11.992.225	308,876	779,495	11,683,349	759,418
20	2003			20	6.50%	Ó	Ó	Ó	Ó	o	0	0	0	0	0
21	2004	0		20	6.50%	Ó	Ó	Ö	Ó	ol	0	0	0	0	0
22	2005	0		20	6.50%	0	0	0	0	o	0	0	0	0	0
23	2006	1,964,025		20	6.50%	0	0	0	0	ol	0	0	0	0	이
24	2007	8,855,875		20	6.50%	0	0	0	0	0	0	0	0	0	0
25	2008	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
26	2009	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
27															
28	New Debt- Construction Work in Progress:			20	7.50%			0	0	0			0	0	0
29	Include CWIP in WACC? NO														
30	New Equity	0			10.00%				0	0				0	0
31							\$223,325	\$594,080	\$7,449,953	\$529,007		\$551,420	\$1,354,356	\$18,890,758	\$1,271,124
32	Weighted Average Cost of Capital									7.10%					6.73%

SOURCE: BURTON & ASSOCIATES C:DATA\123VCUDRAFTFAMS0207.WK4

02/07/2000

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

					_	FY2003						FY20	04		
	Lender	Orlg Loen Amount	Orig Loan Date	Term	Interest Rate	Beginning Belance	Principal	interest	Salance (	Cost of Capital	Beginning Balance	Principal	Interest	C Balance	Cost of Capital
1	First Union Bank				7.27%	\$3,525,429	\$122,774	\$301,263	\$3,402,655	\$247,373	\$3,402,655	\$138,939	\$289,560	\$3,263,716	\$237,272
2	Plantation Developers - WTP	\$663,486	01/01/95	20	7.94%	499,659	26,429	39,870	473,230	37,574	473,230	28,605	37,694	444,625	35,303
3	Plantation Developers- Unit 9	94,651	12/23/94	20	7.94%	88,094	2,555	6,903	85,539	6,792	85,539	2.765	6,693	82,774	6,572
4	Crossroads Land Ltd- Seaside Ut 2	109,535	12/23/94	20		86,801	4,031	6,914	82,770	6,572	82,770	4,363	6,582	78,406	6,225
5	Crossroads Land Ltd- Seaside Ut 3	128,650		20		106,553	4,392	8.196	102,160	7,825	102,160	4,741	7,847	97,419	7,462
6	TAW Nursery, Inc.	112,847	12/23/94	20		99.627	3,341	7,935	96,287	7.645	96,287	3,616	7,660	92,671	7,358
7	BAT of Palm Valley - Tom West	40,147		20		33,332	1,388	2,368	31,944	2,258	31,944	1,489	2,266	30,455	2,153
8	Odoms Mill Ltd.	326,832		20		294,526	9.927	20,480	284,600	19.922	284,600	10.644	19,763	273,955	19,177
9	Marsh Dunes	96,517		20		91,393	2.815	5,704	88,577	5,807	88,577			85,578	
10	Arvida- Sawmill Lakes (Offsite #1)	50,000		20		47,482	1,393	3,191	46,089		46,089	2,999 1,491	5,521 3.093	44,598	5,417 3,037
- 11	Arvida- Sawmill Lakes (Offsite #2)	50,000		20		47,417	1,424	3,191		3,139					
12	Arvide- Sawmil Lakes Ut 1	464,918		20		399,161	15.262	27,625	45,993	3,026	45,993 383,900	1,521	2,981	44,472	2,926
13	Arvide- Sawmil Lakes Ut 2	190,030		20		164.914	6.152		383,900	26,451		16,347	26,539	367,553	25,324 10,303
14		130,030	03/00/31	20	10.00%	104,914	6,152	11,214	158,762	10,748	158,762	6,581	10,785	152,180	10,303
15	New Debt- In Service:	•			10.0076	v	v	U	U	٥	v	U	U	U	V <sub>1</sub>
16	1999	•	1	20	6.50%				•	ا					اء
17	2000	1,877,750				4 700 000	0	0		0	0	0	0		404450
18	2001	1,077,730		20		1,723,022	58,421	111,996	1,664,601	108,199	1,664,601	62,219	108,199	1,602,382	104,155
10	2002	44 000 000		20			0		0	0	0	0	0	0	- 0
30	2002	11,992,225	1	20		11,683,349	328,953	759,418	11,354,395	738,036	11,354,395	350,335	738,036	11,004,060	715,264
21	2003	Ų		20		0	0	Ō	Ō	9	Ō	Q	Ō	Ō	0
22	2004	Ü		20		Ō	Ō	0	0	이	0	0	0	0	O.
23				20		. 0	0	0	0	0	0	0	0	0	0
	2006	1,964,025		20		0	0	0	0	0	0	0	0	0	0
24	2007	8,855,875		20		0	0	0	0	0	0	0	0	0	0
25		0		20		0	0	0	0	0	0	0	0	0	0
26 27	2009	0		20	6.50%	0	0	0	0	이	0	0	0	0	0
28	New Debt- Construction Work in Progress:			20	7.50%			0	0	0	,		0	0	0
29 30		0			10.00%				٥					0	0
31					.3,0070		\$589,257	\$1,316,155	\$18,301,502	\$1,231,168		\$636,656	\$1,273,219	\$17,684,845	\$1,187,950
32	Weighted Average Cost of Capital						4530,251	Ţ.,J.,O,155	\$10,001,00 <u>2</u>	6.73%		+550,000	V 1,2. 0,4.10	,004,040	6.72%

SOURCE: BURTON & ASSOCIATES C:DATA\123VCUDPRAFTYFAMS0207.WK4

02/07/2000

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

					_	FY2005					FY20	106			
	Lender	Orig Loan Amount	Orig Loan Date	Term	Interest Rate	Beginning Balance	Principal	Interest	Balance	cost of Capital Calc	Beginning Balance	Principal	Interest	Balance	Cost of Capital Calc
1	First Union Bank				7.27%	\$3,263,716	\$149,383	\$279,115	\$3,114,333	\$226,412	\$3,114,333	\$160,613	\$267,886	\$2,953,720	\$214,735
2	Plantation Developers - WTP	\$863,486		20		444,625	30,961	35,338	413,664	32,845	413,664	33,511	32,788	380,153	30,184
3	Plantation Developers- Unit 9	94,651		20		82,774	2,993	6,465	79,781	6,335	79,781	3,240	6,218	76,541	6,077
4	Crossroads Land Ltd- Seaside Ut 2	109,535		20		78,406	4,722	6,223	73,684	5,851	73,684	5,111	5,834	68,573	5,445
5	Crossroads Land Ltd- Seaside Ut 3	128,650		20		97,419	5,117	7,471	92,302	7,070	92,302	5,523	7,065	86,779	6,647
6	TAW Nursery, Inc.	112,847		20		92,671	3,914	7,363	88,757	7,047	88,757	4,236	7,040	84,521	6,711
7	BAT of Palm Valley - Tom West	40,147		20		30,455	1,598	2,158	28,857	2,040	28,857	1,715	2,041	27,143	1,919
8	Odoms Mill Ltd.	326,832		20		273,955	11,414	18,993	262,541	18,378	262,541	12,239	18,168	250,302	17,521
9	Marsh Dunes	96,517	04/09/96	20		85,578	3,194	5,326	82,384	5,215	82,384	3,402	5,117	78,982	5,000
10	Arvida- Sawmiil Lakes (Offsite #1)	50,000	09/12/98	20	6.81%	44,598	1,596	2,988	43,003	2,928	43,003	1,708	2,876	41,295	2,812
11	Arvide- Sawmili Lakes (Offsite #2)	50,000	02/17/97	20	6.58%	44,472	1,624	2,878	42,848	2,819	42,848	1,734	2,768	41,114	2,705
	Arvida- Sawmill Lakes Ut 1	464,918		20		367,553	17,510	25,377	350,043	24,118	350,043	18,755	24,132	331,288	22,826
	Arvide- Sawmill Lakes Ut 2	190,030	09/08/97	20	6.77%	152,180	7,041	10,325	145,139	9,826	145,139	7,533	9,833	137,606	9,316
14	Equity	C	1		10.00%	0	0	0	0	0	0	0	0	0	이
15	New Debt- In Service:														
16	1999	C	1	20	6.50%	0	0	0	0	0	0	0	0	0	0
17	2000	1,877,750	)	20	6.50%	1,602,382	66,263	104,155	1,536,119	99,848	1,536,119	70,570	99,848	1,465,549	95,261
18	2001	C	)	20	6.50%	0	0	0	0	o	0	0	0	0	0
19	2002	11,992,225	<b>,</b>	20	6.50%	11,004,060	373,107	715,264	10,630,952	691,012	10,830,952	397,359	691,012	10,233,593	665,184
20	2003	C	)	20	0 6.50%	0	0	0	0	0	0	0	0	0	0
21	2004	C	)	20		0	0	0	0	0	0	0	0	0	0
22	2005	C	)	20	0 6.50%	0	0	0	0	0	0	0	0	0	0
23	2006	1,964,025	;	20	6.50%	0	0	0	0	0	1,964,025	50,586	127,662	1,913,439	124,374
24	2007	8,855,875	i	20	6.50%	0	0	0	0	o	0	0	0	0	0
25	2008	0	)	20	0 6.50%	0	0	0	0	0	0	0	0	0	0
26	2009		)	20	8.50%	0	0	0	0	0	0	0	0	0	0
27															
28	New Debt- Construction Work in Progress:			20	0 7.50%			0	0	0			0	0	0
29	include CWIP in WACC? NO														
30	New Equity		)		10.00%				0	0				0	0
31			·				\$680,437	\$1,229,438	\$16,984,408	\$1,141,744		\$777,835	\$1,310,288	\$18,170,599	
32	Weighted Average Cost of Capital									6.72%					6.70%

SOURCE: BURTON & ASSOCIATES CODATA/1239CU/ORAFT/FAMS0207.WKA

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St

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

						FY 2007					FY20	08			
	Lender	Orig Loan Amount	Orig Loan Date	Term	Interest Rate	Beginning Balance	Principal	Interest	Balance	Cost of Capital	Beginning Balance	Principal	interest	Balance	Cost of Capital
1	First Union Bank	71110-01	Olig Louis Guid	101111	7.27%	\$2,953,720	\$172,686	\$255.812	\$2,781,034	\$202,181	\$2,781,034	\$185,688	\$242.831	\$2,595,366	\$188,683
2	Plantation Developers - WTP	\$663,486	01/01/95	20		380,153	36,270	30,029	343,883	27,304	343,883	39,257	27,042	304.626	24,187
3	Plantation Developers- Unit 9	94,651	12/23/94	20		76,541	3,506	5.952	73,035	5,799	73,035	3,795	5,663	69,240	5,498
4	Crossroads Land Ltd- Seaside Ut 2	109,535	12/23/94	20		68,573	5,532	5,413	63,040	5,005	63,040	5,988	4,957	57.053	4,530
5	Crossroads Land Ltd- Seaside Ut 3	128,650	03/28/95	20		86,779	5,961	6.627	80,817	6,191	80,817	6,435	6,154	74,383	5,698
6	TAW Nursery, Inc.	112,847	12/23/94	20		84,521	4,585	6.691	79,936	6.347	79,936	4,963	6,314	74,973	5,953
7	BAT of Palm Valley - Tom West	40,147	06/30/95	20		27,143	1,840	1,916	25,303	1.789	25,303	1,974	1,781	23,329	1,649
8	Odoms Mill Ltd.	326,832	09/25/95	20		250,302	13,124	17,283	237,179	16,603	237,179	14,072	16,335	223,106	15.617
9	Marsh Dunes	96,517	04/09/96	20		78,982	3.624	4,896	75,358	4,770	75,358	3,860	4,659	71,497	4,526
10	Arvida- Sawmill Lakes (Offsite #1)	50,000	09/12/98	20		41,295	1.828	2,756	39,467	2,688	39,467	1,956	2,627	37,511	2,554
11	Arvida- Sawmill Lakes (Offsite #2)	50,000	02/17/97	20		41,114	1,852	2,650	39,263	2,583	39,263	1,977	2,525	37,285	2,453
12	Arvida- Sawmill Lakes Ut 1	464,918	06/19/97	20		331,288	20,089	22,798	311,200	21,442	311,200	21,517	21,369	289,683	19,959
13	Arvida- Sawmill Lakes Ut 2	190,030		20		137,606	8,059	9,307	129,547	8,770	129,547	8.622	8,744	120,925	8,187
14	Equity	0			10.00%	0	0,000	0,001	0	0,0	120,017	0,011	0	0	0
15	New Debt- In Service:	-				•	•	_	_	٦	•	-	<del>-</del>	-	
16	1999	0		20	6.50%	. 0	0	0	0	ol	0	0	0	0	0
17	2000	1,877,750		20		1,465,549	75,157	95,261	1,390,392	90,375	1,390,392	80,042	90,375	1,310,350	85,173
18	2001	0		20		0	0	0	0	0	0	0	. 0	. 0	0
19	2002	11,992,225		20	6.50%	10.233.593	423,188	665,184	9.810.406	637.676	9.810.406	450,695	637,676	9,359,711	608,381
20	2003	0		20		0	0	0	0	0	0	0	. 0	0	o
21	2004	0		20		Ó	Ó	Ó	Ó	Ó	Ó	0	0	0	0
22	2005	0		20	6.50%	Ó	Ō	0	Ò	ōl	Ó	0	0	0	0
23	2006	1,964,025		20	6.50%	1,913,439	53,874	124,374	1,859,564	120,872	1,859,564	57,376	120,872	1,802,188	117,142
24	2007	8,855,875		20	6.50%	8,855,875	228.095	575,632	8,627,780	560,806	8,627,780	242,922	560,806	8,384,858	545,016
25	2008	0		20	6.50%		0	0	0	Ó	0	0	0	0	0
26	2009	0		20		0	Ö	Ö	ó	o	0	0	0	0	0
27															
28 29	New Debt- Construction Work in Progress: Include CWIP in WACC? NO			20	7.50%			0	0	0	*		0	0	0
30	New Equity	0			10.00%				0	0				0	0
31 32	Weighted Average Cost of Capital						\$1,059,271	\$1,832,579	\$25,987,203	\$1,721,201 6.63%		\$1,131,119	\$1,760,731	\$24,838,084	\$1,645,207 <b>6.62%</b>

SOURCE: BURTON & ASSOCIATES C:DATA\123\CU\DRAFT\FAMS0207.WK4



Figure 14 Page 6 of 6

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM Weighted Average Cost of Capital Analysis

### Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth

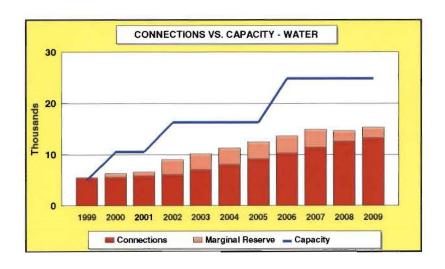
					_		FY20	009		
	Lender	Orig Loen Amount	Orlg Loan Date	Term	Interest Rate	Beginning Balance	Principal	Interest	Balance	Cost of Capital Caic
1	First Union Bank				7.27%	\$2,595,366	\$199,625	\$228,874	\$2,395,742	\$174,170
2	Plantation Developers - WTP	\$663,486	01/01/95	20	7.94%	304,626	42,490	23,809	262,136	20,814
3	Plantation Developers- Unit 9	94,651	12/23/94	20	7.94%	69,240	4,108	5,350	65,132	5,171
4	Crossroads Land Ltd- Seaside Ut 2	109,535	12/23/94	20	7,94%	57.053	6.481	4,464	50,572	4,015
5	Crossroads Land Ltd- Seaside Ut 3	128,650	03/28/95	20	7.66%	74,383	6,945	5,643	67,438	5,160
6	TAW Nursery, Inc.	112,847	12/23/94	20	7.94%	74.973	5.371	5,905	69,602	5,520
7	BAT of Palm Valley - Tom West	40,147	06/30/95	20		23,329	2,118	1,637	21,211	1,500
8	Odoms Mill Ltd.	326,832		20		223,106	15,090	15,317	208,017	14,561
9	Marsh Dunes	96,517		20		71.497	4,112	4,408	67,385	4,265
10	Arvide- Sewmill Lakes (Offsite #1)	50,000		20		37.511	2,094	2,490	35,417	2.41
11	Arvida- Sawmill Lakes (Offsite #2)	50,000		20		37.285	2,111	2,390	35.174	2,314
12	Arvide- Sawmill Lakes Ut 1	484,918		20		289,683	23,048	19,839	266,635	18,37
13	Arvide- Sewmill Lakes Ut 2	190,030		20		120,925	9,224	8,142	111,701	7,56
14	Eaulty	,	1		10.00%	,	0,22,	٥,,,,	.,,,,,,	.,
15	New Debt- in Service:	•			10.00%	•	•	•	•	
16	1999		1	20	6.50%	٥	0	0	0	
17	2000	1,877,750		20		1,310,350	85,245	85,173	1,225,105	79,63
18	2001	.,,		20		1,510,550	00,240	00,170	1,220,100	. 0,00
19	2002	11,992,225		20		9.359.711	479,990	608,381	8,879,721	577,18
20	2003	,,		20		0,000,7 11	1,0,000	000,001	0,0,0,121	5,7,7,6
21	2004	Č	1	20		ŏ	ŏ	ŏ	ŏ	
22	2005	ō	1	20		ň	ŏ	ŏ	ŏ	
23	2006	1,964,025		20		1,802,188	61,106	117,142	1,741,083	113.17
24	2007	8,855,875		20		8,384,858	258,712	545,016	8,126,146	528,20
25	2008	5,000,010		20		0,001,000	200,1.0	0 .0,0.0	0,1.20,1.10	0.1.1.1
26 27	2009	ď		20		ŏ	ŏ	ŏ	ŏ	
21 28	New Debt- Construction Work in Progress:			20	7.50%			0,	0	
29	include CWIP in WACC? NO									
30	New Equity		)		10.00%				0	
31 32	Weighted Average Cost of Capital		-				\$1,207,868	\$1,683,981	\$23,828,215	\$1,584,03 6,629

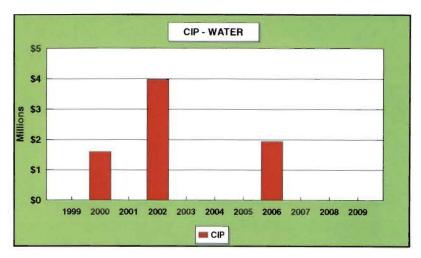
SOURCE: BURTON & ASSOCIATES C:DATA(123)CUDRAFT/FAMS0207,WK4

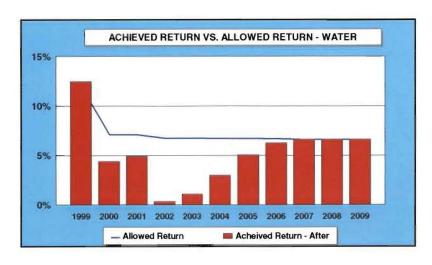
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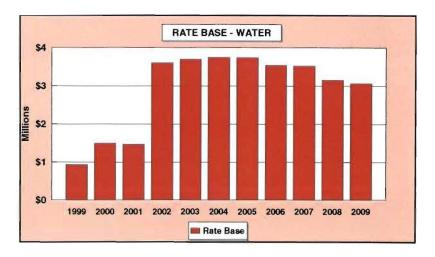
# INTERCOASTAL UTILITIES WATER SYSTEM GRAPHS OF KEY INDICATORS

Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth



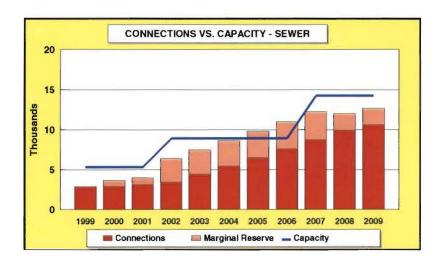


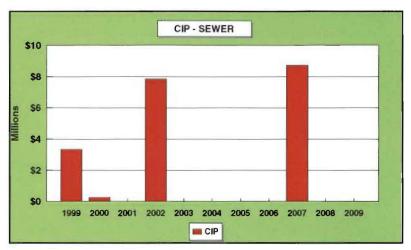


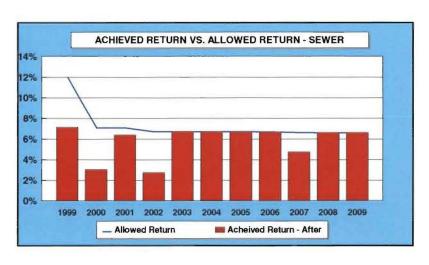


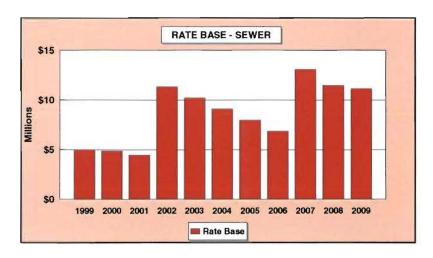
# INTERCOASTAL UTILITIES SEWER SYSTEM GRAPHS OF KEY INDICATORS

Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth



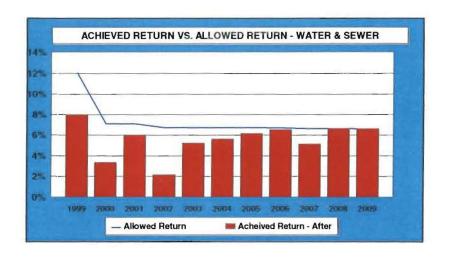






### INTERCOASTAL UTILITIES WATER AND SEWER SYSTEM GRAPHS OF KEY INDICATORS

Scenario 1 - Intercoastal Utility's Water and Sewer Rates with Full Growth





Appendix 2

## Scenario 2

## Water and Sewer Rates with One Half Growth

This scenario analyzes the impact upon customer's rates of Intercoastal Utilities implementing Intercoastal's plan to meet the water and sewer demands of the projected growth in the area for which Intercoastal's service area extension application is filed assuming the one half of the growth projections in the requested service area.

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# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM SUMMARY

Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

Water	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Rate Plan	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-2.1%	-0.3%
Achieved Return	12.47%	4.38%	4.90%	0.03%	0.46%	2.02%	3.70%	4.25%	5.75%	6.62%	6.62%
Allowed Return	12.04%	7.10%	7.10%	6.73%	6.73%	6.72%	6.72%	6.70%	6.63%	6.62%	6.62%
Avq Mo.Cost / ERU	\$11.66	\$11.66	\$11.66	\$11.66	\$11.66	\$11.66	\$11.66	\$11.66	\$11.66	\$11.42	\$11.38
Achieved Return (Millions) Allowed Return (Millions) Rate Base (Millions)	\$0.116 \$0.112 \$0.934	\$0.065 \$0.106 \$1.487	\$0.072 \$0.104 \$1.462	\$0.001 \$0.211 \$3.142	\$0.015 \$0.216 \$3.207	\$0.066 \$0.218 \$3.248	\$0.121 \$0.219 \$3.263	\$0.129 \$0.204 \$3.044	\$0.176 \$0.202 \$3.052	\$0.177 \$0.177 \$2.665	\$0.172 \$0.172 \$2.599
Sewer											
Rate Plan	0.0%	0.0%	0.0%	0.0%	0.0%	-1.3%	-11.2%	-10.4%	0.0%	-0.6%	-2.2%
Achieved Return	7.13%	3.04%	6.38%	1.48%	3.17%	6.72%	6.72%	6.70%	5.23%	6.62%	6.62%
Allowed Return	12.04%	7.10%	7.10%	6.73%	6.73%	6.72%	6.72%	6.70%	6.63%	6.62%	6.62%
Avg Mo.Cost / ERU	\$42.98	\$42.98	\$42.98	\$42.98	\$42.98	\$42.40	\$37.66	\$33.75	\$33.75	\$33.56	\$32.83
Achieved Return (Millions) Allowed Return (Millions) Rate Base (Millions)	\$0.355 \$0.600 \$4.979	\$0.148 \$0.345 \$4.855	\$0.283 \$0.315 \$4.442	\$0.153 \$0.696 \$10.346	\$0.331 \$0.703 \$10.445	\$0.650 \$0.650 \$9.669	\$0.587 \$0.587 \$8.738	\$0.522 \$0.522 \$7.801	\$0.678 \$0.859 \$12.960	\$0.762 \$0.762 \$11.502	\$0.758 \$0.758 \$11.458
Water & Sewer											
Rate Effect	NA	0.0%	0.0%	0.0%	0.0%	-1.1%	-8.8%	-7.9%	0.0%	-0.9%	-1.7%
Achieved Return	7.97%	3.36%	6.01%	1.14%	2.53%	5.54%	5.90%	6.01%	5.33%	6.62%	6.62%
Allowed Return	12.04%	7.10%	7.10%	6.73%	6.73%	6.72%	6.72%	6.70%	6.63%	6.62%	6.62%
Avg Mo.Cost / ERU	\$54.64	\$54.64	\$54.64	\$54.64	\$54.64	\$54.06	\$49.32	\$45.41	\$45.41	\$44.98	\$44.21
Achieved Return (Millions)	\$0.471	\$0.213	\$0.355	\$0.154	\$0.345	\$0.716	\$0.708	\$0.652	\$0.853	\$0.938	\$0.931
Allowed Return (Millions) Rate Base (Millions)	\$0.712 \$5.913	\$0.450 \$6.342	\$0.419 \$5.904	\$0.908 \$13.488	\$0.918 \$13.651	\$0.869 \$12.917	\$0.807 \$12.001	\$0.726 \$10.846	\$1.061 \$16.012	\$0.938 \$14.167	\$0.931 \$14.057

SOURCE: BURTON & ASSOCIATES C:\DATA\123\ICU\DRAFT\FAMS0207.WK4

02/08/2000

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM ASSUMPTIONS

## Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

		Actual	Actual	Projected									
	Assumptions	<u> 1998</u>	1299	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	Water												
1	Capacity in ERC's	5,057	5,057	5,057	10,571	10,571	16,286	16,286	16,286	16,286	24,857	24,857	24,857
2	Additional Capacity in ERC's		0	5,514	0	5,714	0	0	0	8,571	0	0	0
3	Total Capacity	5,057	5,057	10,571	10,571	16,286	16,286	16,288	16,286	24,857	24,857	24,857	24,857
4	GPD = 1 ERC	350	350	350	350	350	350	350	350	350	350	350	350
5	Connected ERC's	5,506	5,506	5,506	5,763	6,043	6,698	7,380	8,093	8,838	9,618	10,438	10,787
8	Additional Connected ERC's										•	•	•
7	Walden Chase		0	0	0	44	44	44	44	44	44	44	44
8	Marsh Harbour		0	0	0	7	7	7	7	7	7	7	0
9	Nocatee		0	0	0	298	298	298	298	298	298	298	298
10	East Svc Area		0	257	280	306	333	363	396	431	470	0	0
11	Total Additional Connected ERC's	0	0	257	280	655	682	712	745	781	819	349	342
12	Total Connected ERC's	5,508	5,508	5,763	6,043	6.698	7,380	8,093	8,838	9.618	10,438	10,787	11,129
13	Percent Growth in Connected ERC's	0.00%	0.00%	4.67%	4.86%	10.84%	10.19%	9.65%	9.21%	8.83%	8.52%	3,35%	3,17%
14	Percent of Growth Applied to Expenses	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
15	Effective Multiplier for Growth	0.00%	0.00%	1.17%	1.22%	2,71%	2.55%	2,41%	2.30%	2.21%	2.13%	0.84%	0.79%
16	Inflationary Multiplier	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
17	Growth and Inflationary Multiplier	1.50%	1.50%	2.67%	2.72%	4.21%	4.05%	3.91%	3.80%	3.71%	3.63%	2.34%	2.29%
	<u>Sewer</u>												
19	Capacity in ERC's	2,857	2,857	5,357	5,357	5,357	8,929	8,929	8,929	8,929	8,929	14,286	14,286
20	Additional Capacity in ERC's		2,500	0	. 0	3,571	0	0	0	0	5,357	0	. 0
21	Total Capacity	2,857	5,357	5,357	5,357	8,929	8,929	8,929	8,929	8,929	14,286	14,286	14,286
22	GPD = 1 ERC	280	280	280	280	280	280	280	280	280	280	280	280
23	Connected ERC's	2,857	2,857	2,857	3,114	3,395	4,049	4,732	5,444	6,189	6,970	7,789	8,138
24	Additional Connected ERC's										•	•	•
25	Walden Chase		0	0	0	44	44	44	44	44	44	44	44
26	Marsh Harbour		0	0	0	7	7	7	7	, 7	7	7	0
27	Nocatee		0	0	0	298	298	298	298	298	298	298	298
28	East Svc Area		0	257	280	306	333	363	396	431	470	0	Ŏ
29	Total Additional Connected ERC's	0	0	257	280	655	582	712	745	781	819	349	342
30	Imputed ERC's from 1998 Rate Case		5,357	5,357	5,357	5,357	5,357	5,357	5,357	5,357	5,357	5,357	5,357
31	Total Used & Useful ERC's	2,857	5,357	5,357	5,357	5,708	6,056	6,405	6,755	7,104	7,453	7.803	8,145
32	Percent Growth in Connected ERC's	0.00%	0.00%	9.00%	9.00%	19.29%	16.85%	15.05%	13.68%	12.61%	11.76%	4.49%	4.21%
33	Percent of Growth Applied to Expenses	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
34	Effective Multiplier for Growth	0.00%	0.00%	2.25%	2.25%	4.82%	4.21%	3.76%	3.42%	3.15%	2.94%	1.12%	1.05%
35	Inflationary Multiplier	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1,50%	1.50%
36	Growth and Inflationary Multiplier	1.50%	1.50%	3.75%	3.75%	6.32%	5.71%	5.26%	4.92%	4.65%	4.44%	2.62%	2.55%
	· ·					3.0270	5.1 170	3.2070			1.4470	2.02 /6	2.0070

#### 7 New Debt Assumptions

38 39 Term 40 Issua

 Term
 20

 Issuance Costs
 1.50%

 Interest Rate
 6.50%

42	<u>O&amp;M Reserves</u>	Months	Percent of Annual O&M
43	<u>Water</u>	-	
44	Minimum Reserves Level	1.5	12.50%
45	Sewer		
46	Minimum Reserves Level	1.5	12.50%
47	Rates & Charges		
48	Current Service Availability Charge	\$234	\$625

SOURCE: BURTON & ASSOCIATES C:\DATA\123\\CUADRAFT\FAMS0207.WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM PRO-FORMA INCOME PROJECTIONS - WATER SYSTEM

Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
<u>Water</u>	<u>1999</u>	2000	2001	2002	2003	2004	2005	2006	2007	2000	2009
Revenues:											
1 Rate Revenue:											
2 Rate Revenue	\$988,541	\$988,541	\$1,034,711	\$1,085,036	\$1,202,615	\$1,325,131	\$1,453,029	\$1,586,792	\$1,726,948	\$1,874,073	\$1,896,691
3 Growth Percentage	NA.	4.67%	4.86%	10.84%	10.19%	9,65%	9.21%	8.83%	8.52%	3.35%	3.17%
4 Rate Revenue from Growth	, a	46.170	50,325	117,579	122,516	127,897	133,763	140,156	147,125	62,725	60,195
5 Rate Revenue Prior to Rate Adjustment	5988,541	\$1,034,711	\$1,085,038	\$1,202,615	\$1,325,131	\$1,453,029	\$1,586,792	\$1,726,948	\$1,874,073	\$1,936,798	\$1,956,886
6 Percentage Rate Increase	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-2.07%	-0.34%
7 Rate Revenue from Rate Adjustment	0	0	0	0	0	0	0	0.02.0	0.00.0	(40,107)	(6,734)
8 Total Rate Revenue	\$988,541	\$1,034,711	\$1,085,036	\$1,202,615	\$1,325,131	\$1,453,029	\$1,586,792	\$1,726,948	\$1,074,073	\$1,896,691	\$1,950,152
10 Other Revenue:											
I Misc. Revenue	\$1,238	\$1,296	\$1,359	\$1,506	\$1,660	\$1,820	\$1,987	\$2,163	\$2,347	\$2,426	\$2,503
12 Other Revenue	V.,240	0.,0	V1,550	\$1,500 0	\$1,000 0	\$1,020 0	41,507	\$2,103 0	92,547 0	\$2, <del>-</del> 20	#2,503 ^
13 Total Other Revenue	\$1,238	\$1,298	\$1,359	\$1.506	\$1,660	\$1.820	\$1,987	\$2,163	\$2,347	\$2,426	\$2,503
14 Total Revenues	\$989,779	\$1,036,007	\$1,086,395	\$1,204,121	\$1,326,791	\$1,454,848	\$1,588,779	\$1,729,111	\$1,876,420	\$1,899,116	\$1,952,655
15	0000,710	41,000,001	41,000,000	#1,20 <del>4</del> ,121	41,020,781	\$1,754,040	\$1,500,778	\$1,728,111	\$1,010,420	\$1,000,110	\$1,832,033
6 Expenses:											
8 Additional O&M - Western Svc Area	\$0	\$0	\$0	\$59,721	\$89,192	\$119,927	\$151,931	\$234,951	\$272,792	\$308,573	\$344,691
9 Operating Expenses- Eastern Svc Area	\$748,138	\$770,564	\$794,036	\$827,458	\$860,944	\$894,632	\$928,641	\$963,076	\$998,034	\$1,021,356	\$1,044,780
O Rate Case Expense	NA.	NA	NA.	NA.	NA.	NA.	NA.	NA.	NA NA	NA NA	NA.
1 Franchise Fee- PSC	0	46,562	48,827	54,118	59.631	65,386	71.406	77.713	84,333	85,351	87,757
2 Depreciation (U & U Amt Only)	182,603	133,899	163,525	173,863	233,383	262,253	294,065	231.925	275,929	235,097	244,731
3 Amort of CIAC (U & U Amt Only)	(143,313)	(93,026)	(103,106)	(93,957)	(113,294)	(135,442)	(160,762)	(124,267)	(145,873)	(138,523)	(146,964)
4 Amort of Acq Adj	4,683	4,683	4,683	4,683	4,683	4,683	4,683	4,683	4,683	4,683	4,683
5 Total Expenses	\$792,110	\$852,582	\$907,964	\$1,025,885	\$1,134,538	\$1,211,439	\$1,289,983	\$1,388,080	\$1,489,897	\$1,516,537	\$1,579,678
6 Operating Income 7	\$197,669	\$173,325	\$178,431	\$178,236	\$192,253	\$243,409	\$298,816	\$341,030	\$386,523	\$382,580	\$372,977
:8 Non Operating Income (Expenses);											
9 Non Oper Rev	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0 Taxes Other Than Income:	~~~	0	~~	**	~	~~	70	ã	~	<b>~</b>	~
1 Intanoble Tax	(496)	(660)	(652)	(1,082)	(1,083)	(1,085)	(1,087)	(1,292)	(1,288)	(1,258)	(1,227)
	(75)	(100)	(99)	(164)	(164)	(164)	(164)	(195)	(195)	(190)	(185)
3	• •			• • •					(195)		, ,
3 4 Property Taxes: 5	(80,664)	(107,386)	(105,966)	(176,039)	(176,196)	(176,419)	(176,723)	(210,146)	(195) (209,506)	(204,596)	(199,498)
3 4 Property Taxes: 5 5 Total Non Operating Expenses	(80,664)	(107,386)	(105,988)	(176,039) (\$177,285)	(176,196) (\$177,443)	(176,419) (\$177,887)	(178,723)	(210,146) (\$211,633)	(195) (209,506) (\$210,989)	(204,596) (\$206,045)	(199,498) (\$200,910)
3 4 Property Taxes: 5 5 Total Non Operating Expenses 7 Net Income	(80,864) (\$81,235) \$116,434	(107,386) (\$108,146) \$65,179	(105,966) (\$108,716) \$71,715	(176,039) (\$177,285) \$952	(176,196) (\$177,443) \$14,810	(176,419) (\$177,587) \$85,742	(176,723) (\$177,974) \$120,842	(210,146) (\$211,633) \$129,397	(195) (209,508) (\$210,989) \$175,533	(204,598) (\$208,045) \$176,535	(199,498) (\$200,910) \$172,087
3 4 Property Taxes: 5 Total Non Operating Expenses 7 Net Income 8 Taxable income (See worksheet for taxable income below) 9 Income Taxes:	(80,664) (\$81,235) \$116,434 \$0	(107,386)	(105,988)	(176,039) (\$177,285)	(176,196) (\$177,443) \$14,810 \$0	(176,419) (\$177,887)	(178,723)	(210,146) (\$211,633)	(195) (209,506) (\$210,989)	(204,596) (\$206,045)	(199,498) (\$200,910) \$172,087 \$0
3 4 Property Taxes: 5 5 6 Total Non Operating Expenses 7 Wet Income 8 Taxable income (See worksheet for taxable income below) 9 Income Taxes: 0 State 5.50%	(80,864) (\$81,235) \$116,434	(107,386) (\$108,146) \$65,179	(105,966) (\$108,716) \$71,715	(176,039) (\$177,285) \$952	(176,196) (\$177,443) \$14,810	(176,419) (\$177,587) \$85,742	(176,723) (\$177,974) \$120,842	(210,146) (\$211,633) \$129,397	(195) (209,508) (\$210,989) \$175,533	(204,598) (\$208,045) \$176,535	(199,498) (\$200,910) \$172,087
3 4 Property Taxes: 5 6 Total Non Operating Expenses 7 Net Income 8 8 Taxable income (See worksheet for taxable income below) 9 Income Taxes: 1 Federal 34.00%	(90,664) (\$81,235) \$116,434 \$0 0	(107,386) (\$108,146) \$85,179 \$0 0	(105,966) (\$108,718) \$71,715 \$0 0	(176,039) (\$177,285) \$952 \$0 0	(176,196) (\$177,443) \$14,810 \$0 0	(176,419) (\$177,687) \$85,742 \$0 0	(176,723) (\$177,974) \$120,842 \$0 0	(210,146) (\$211,633) \$129,397 \$0 0	(195) (209,506) (\$210,989) \$175,533 \$0 0	(204,596) (\$206,045) \$176,535 \$0 0	(199,498) (\$200,910) \$172,087 \$0 0
Property Taxes:  5	(80,664) (\$81,235) \$116,434 \$0	(107,386) (\$108,146) \$65,179 \$0	(105,966) (\$108,718) \$71,715 \$0	(176,039) (\$177,285) \$952 \$0	(176,196) (\$177,443) \$14,810 \$0	(176,419) (\$177,887) \$85,742 \$0	(176,723) (\$177,974) \$120,842 \$0	(210,146) (\$211,633) \$129,397 \$0	(209,506) (\$210,989) \$175,533 \$0	(204,596) (\$206,045) \$176,535 \$0	(199,496) (\$200,910) \$172,087 \$0
3 4 Property Taxes: 5 6 Total Non Operating Expenses 6 Taxable income (See worksheet for taxable income below) 9 Income Taxes: 0 State 5.50% 1 Federal 34.00% 1 Total income Taxes 3 Net After Tax Income	(90,664) (\$81,235) \$116,434 \$0 0	(107,386) (\$108,146) \$85,179 \$0 0	(105,966) (\$108,718) \$71,715 \$0 0	(176,039) (\$177,285) \$952 \$0 0	(176,196) (\$177,443) \$14,810 \$0 0	(176,419) (\$177,687) \$85,742 \$0 0	(176,723) (\$177,974) \$120,842 \$0 0	(210,146) (\$211,633) \$129,397 \$0 0	(195) (209,506) (\$210,989) \$175,533 \$0 0	(204,596) (\$206,045) \$176,535 \$0 0	(199,498) (\$200,910) \$172,087 \$0 0
3 Property Taxes: 5 Total Non Operating Expenses 7 Net Income 8 Taxable income (See worksheet for taxable income below) Income Taxes: 0 State 5.50% 1 Total Income Taxes: 2 Total Income Taxes: 3 Net After Tax Income 4 Rate Base	(80,684) (\$81,235) \$116,434 \$0 0 0	(107,386) (\$108,145) \$85,179 \$0 0 0	(105,966) (\$108,718) \$71,715 \$0 0 0	(176,039) (\$177,285) \$952 \$0 0 0	(176,196) (\$177,443) \$14,810 \$0 0 0	(176,419) (\$177,867) \$85,742 \$0 0 0 \$0	(176,723) (\$177,974) \$120,842 \$0 0 0	(210,146) (\$211,633) \$129,397 \$0 0 0	(209,506) (209,506) (\$210,989) \$175,533 \$0 0	(204,596) (\$206,045) \$176,535 \$0 0 0 50	(199,498) (\$200,910) \$172,087 \$0 0
Property Taxes:  Total Non Operating Expenses  Net Income Taxable Income (See worksheet for taxable Income below) Income Taxes: State 5.50% Federal 34.00%  Total Income Taxes Net After Tax Income  Rate Beee	(80,664) (\$81,235) \$116,634 \$0 0 0 5 \$1,5043 \$116,434	(107,386) (\$108,145) \$65,179 \$0 0 0 \$65,179 \$1,486,952	(105,966) (\$106,716) \$71,715 \$0 0 0 \$0 \$71,715 \$1,462,184	(176,039) (\$177,285) \$952 \$0 0 0 \$0 \$952 \$3,142,222	(176,196) (\$177,443) \$14,810 0 0 \$0 \$14,810 \$3,206,673	(178,419) (\$177,857) \$85,742 \$0 0 0 \$0 \$85,742 \$3,247,539	(178,723) (\$177,974) \$120,842 \$0 0 0 \$0 \$120,842 \$3,262,809	(210,146) (\$211,633) \$129,397 \$0 0 0 \$129,397 \$3,044,165	(195) (209,506) (\$210,989) \$175,533 \$0 0 0 \$175,633 \$3,052,479	(204,596) (\$206,045) \$176,535 \$0 0 0 \$0 \$176,535 \$2,664,962	(199,498) (\$200,910) \$172,087 \$0 0 0 \$0 \$172,087 \$2,599,443
Total Non Operating Expenses Total Non Operating Expenses Taxable Income (See worksheet for taxable Income below) Income Taxes: State 5.50% Federal 34.00% Total Income Taxes Net After Tax Income Rate of Return Achieved	(80,664) (\$81,235) \$116,434 \$0 0 0 \$0 \$176,434 \$933,943	(107,386) (\$108,145) \$85,179 \$0 0 \$65,179 \$1,486,952	(105,966) (\$108,716) \$71,715 \$0 0 0 \$71,715 \$1,462,184	(176,039) (\$177,285) \$952 \$0 0 0 50 \$952 \$3,142,222	(176,196) (\$177,443) \$14,810 0 0 \$0 \$14,810 \$3,206,673	(178,419) (\$177,887) \$85,742 0 0 \$0 \$55,742 \$3,247,539 2.02%	(176,723) (\$177,974) \$120,842 0 0 0 \$1 \$120,842 \$3,262,809	(210,146) (3211,633) \$129,397 \$0 \$129,397 \$3,044,105	(195) (209,506) (\$210,989) \$175,533 \$0 0 0 \$0 \$175,633 \$3,052,479 5.75%	(204,596) (\$206,045) \$176,535 \$0 0 \$176,635 \$2,694,962 6.62%	(199,498) (\$200,910) \$172,057 \$0 0 0 \$172,067 \$2,599,443 6.62%
Property Taxes:  Total Non Operating Expenses  Total Non Operating Expenses  Taxable Income  Taxable Income (See worksheet for taxable Income below)  Income Taxes:  State 5.50%  Total Income Taxes  Authority Total Income Taxes  Met After Tax Income  Rate Base	(80,664) (\$81,235) \$116,634 \$0 0 0 5 \$1,50434 \$933,943	(107,386) (\$108,145) \$65,179 \$0 0 0 \$65,179 \$1,486,952	(105,966) (\$106,716) \$71,715 \$0 0 0 \$0 \$71,715 \$1,462,184	(176,039) (\$177,285) \$952 \$0 0 0 \$0 \$952 \$3,142,222	(176,196) (\$177,443) \$14,810 0 0 \$0 \$14,810 \$3,206,673	(178,419) (\$177,857) \$85,742 \$0 0 0 \$0 \$85,742 \$3,247,539	(178,723) (\$177,974) \$120,842 \$0 0 0 \$0 \$120,842 \$3,262,809	(210,146) (\$211,633) \$129,397 \$0 0 0 \$129,397 \$3,044,165	(195) (209,506) (\$210,989) \$175,533 \$0 0 0 \$175,633 \$3,052,479	(204,596) (\$206,045) \$176,535 \$0 0 0 \$0 \$176,535 \$2,664,962	(199,496 (\$200,810 \$172,087 90 0 \$3 \$172,087 \$2,599,443 6.62% 6.62%
Total Non Operating Expenses Total Non Operating Expenses Total Non Operating Expenses Taxable income (See worksheet for taxable income below) Income Taxes: State 5.50% Federal 34.00% Total income Taxes And After Tax Income Rate Base Rate Base Allowed Return Achieved Allowed Return Amount	(80,864) (\$81,235) \$116,434 \$0 0 0 \$0 \$176,434 \$933,843	(107,386) (\$108,146) \$85,179 \$0 \$0 \$0 \$65,179 \$1,486,952 4.38%	(105,966) (\$108,716) \$71,715 \$0 0 \$0 \$71,715 \$1,462,184 4,90% 7,10%	(176,039) (\$177,285) \$952 \$0 0 0 \$0 \$952 \$3,142,222 0.03% 6.73%	(176,196) (\$177,443) \$14,810 0 0 \$0 \$10 \$3,206,673	(176,419) (\$177,887) \$85,742 \$0 0 \$0 \$85,742 \$3,247,539 2.02% 6.72%	(176,723) (\$177,974) \$120,842 \$0 0 0 \$50 \$120,842 \$3,262,809	(210,146) (\$211,633) \$129,397 \$0 0 0 \$0 \$129,397 \$3,044,105 4.25% 6.70%	(195) (209,506) (\$210,989) \$175,533 \$0 0 0 90 \$175,633 \$3,052,478 5.75% 6.63%	(204,598) (\$206,045) \$176,535 \$0 0 0 \$0 \$176,635 \$2,664,962 6.62%	(199,498) (\$200,910) \$172,087 \$0 0 0 \$50 \$172,067 \$2,599,443
7 Property Taxes:  5 Total Non Operating Expenses  7 Net Income  8 Taxable income (See worksheet for taxable income below)  9 Income Taxes:  10 State 5.50%  11 Federal 34.00%  12 Total Income Taxes  13 Not After Tax Income  14 Rate Base  16 Rate of Return Achieved  18 Allowed Return  19 Allowed Return Amount	(80,664) (\$81,235) \$116,234 \$0 0 0 \$0 \$30 \$116,434 \$933,943 12,47% 12,04% \$112,447	(107,386) (\$108,146) \$85,179 30 0 0 \$0 \$65,179 \$1,486,952 4.38% 7.10% \$105,598	(105,966) (\$106,716) \$71,715 \$0 0 0 \$71,715 \$1,462,184 4,90% 7,10% \$103,827	(176,039) (\$177,285) \$952 \$0 0 0 \$0 \$952 \$3,142,222 0.03% 6.73% \$211,434	(176,196) (\$177,443) \$14,810 0 0 \$0 \$14,810 \$3,206,673 0,46% 6,73% \$215,717	(176,419) (\$177,587) \$65,742 \$0 0 \$0 \$55,742 \$3,247,539 2.02% 6.72% \$216,395	(176,723) (\$177,974) \$120,842 \$0 0 0 \$120,842 \$3,262,809 3,70% 6,72% \$219,336	(210,146) (\$211,633) \$129,397 \$0 0 0 \$129,397 \$3,044,165 4,25% 6,70% \$203,840	(195) (209,506) (\$210,989) \$175,533 \$0 0 0 90 \$175,633 \$3,052,478 5.75% 6.63% \$202,329	(204,596) (\$206,045) \$176,535 \$0 0 0 \$176,635 \$2,964,962 6.62% 8176,534	(199,498) (\$200,910) \$172,087 \$0 0 0 \$172,067 \$2,599,443 6.62% \$172,066
7 Notal Non Operating Expenses 7 Net Income 8 Taxable Income (See worksheet for taxable Income below) 9 Income Taxes: 9 State 5.50% 9 Federal 34.00% 9 Total Income Taxes 8 Net After Tax Income 4 Rate Base 9 Rate of Return Achieved 8 Allowed Return 9 Allowed Return Amount  9 Worksheet for Taxable Income: 1 Interest Expense - Total 2 Interest Expense - Total 3 Allocation Percentage to Water (1)	(80,664) (\$81,235) \$116,434 0 0 \$0 \$0 \$16,434 \$933,843 12.47% 12.04% \$112,447	(107,386) (\$108,146) \$85,179 30 \$0 \$0 \$65,179 \$1,486,952 4.38% 7.10% \$105,596	(105,966) (\$106,716) \$71,715 0 0 \$71,716 \$1,462,184 4.90% 7.10% \$103,827	(176,039) (\$177,285) \$952 \$0 0 50 \$962 \$3,142,222 0.03% 6.73% \$211,434	(176,196) (\$177,443) \$14,810 0 0 \$0 \$14,870 \$3,206,673 0.46% 6.73% \$215,717	(176,419) (\$177,867) \$855,742 \$0 0 0 \$0 \$855,742 \$3,247,539 2.02% 6.72% \$218,395	(176,723) (\$177,974) \$120,842 \$0 0 0 \$0 \$120,842 \$3,262,809 3,70% 6,72% \$219,336	(210,146) (\$211,633) \$129,397 \$0 0 0 \$0 \$129,387 \$3,044,105 4.25% 6.70% \$203,840	(195) (209,506) (\$210,989) \$175,533 \$175,533 0 0 0 \$175,633 \$3,052,479 5.75% 6.63% \$202,329	(204,596) (\$204,545) \$176,535 \$176,535 \$0 \$176,535 \$2,664,962 6.62% 6.62% \$176,534	(199,496) (\$200,910) \$172,087 90 0 0 50 \$172,067 \$2,599,443 6.62% 6.62% \$172,066
7 Property Taxes:  Total Non Operating Expenses  All Property Taxes:  Total none (See worksheet for taxable income below) Income Taxes:  State 5.50% Federal 34.00%  Total income Taxes  Net After Tax Income  Rate See  Rate of Return Achieved  Allowed Return Amount  Worksheet for Taxable income:  Interest Expense - Total  Allocation Percentage to Water (1)  Allocation Taxes Expense - Water	(80,664) (\$81,235) \$116,234 \$0 0 0 \$0 \$30 \$116,434 \$933,943 12,47% 12,04% \$112,447	(107,386) (\$108,146) \$85,179 30 0 0 \$0 \$65,179 \$1,486,952 4.38% 7.10% \$105,598	(105,966) (\$106,716) \$71,715 \$0 0 0 \$71,715 \$1,462,184 4,90% 7,10% \$103,827	(176,039) (\$177,285) \$952 \$0 0 0 \$0 \$952 \$3,142,222 0.03% 6.73% \$211,434	(176,196) (\$177,443) \$14,810 0 0 \$0 \$14,810 \$3,206,673 0,46% 6,73% \$215,717	(176,419) (\$177,587) \$65,742 \$0 0 \$0 \$55,742 \$3,247,539 2.02% 6.72% \$216,395	(176,723) (\$177,974) \$120,842 \$0 0 0 \$120,842 \$3,262,809 3,70% 6,72% \$219,336	(210,146) (\$211,633) \$129,397 \$0 0 0 \$129,397 \$3,044,165 4,25% 6,70% \$203,840	(195) (209,506) (\$210,989) \$175,533 \$0 0 0 90 \$175,633 \$3,052,478 5.75% 6.63% \$202,329	(204,596) (\$206,045) \$176,535 \$0 0 0 \$176,635 \$2,964,962 6.62% 8176,534	(199,496) (\$200,510) \$172,087 90 0 0 5172,067 \$2,599,443 6,62% 6,62% \$172,066
Total Non Operating Expenses Total Non Operating Expenses Taxable income (See worksheet for taxable income below) Income Taxes State 5.50% Federal 34.00% Total income Taxes Intelligence Tax Income Rate of Return Achieved Allowed Return Allowed Return Amount  Worksheet for Taxable Income: Interest Expense - Total Allocation Percentage to Water (1) Allocation Income Sefore Income Tax Restatement of Net Income Before Income Tax	(80,664) (\$81,235) \$116,434 \$0 0 0 \$176,434 \$933,943 12,47% 12,04% \$112,447 \$403,065 45,00% 181,379 \$110,434	(107,386) (\$108,146) \$85,179 \$0 0 \$0 \$65,179 \$1,486,952 4.38% 7.10% \$105,598 \$804,884 45,00% 272,198	(105,966) (\$108,716) \$71,715 \$0 0 0 \$71,715 \$1,462,184 4,90% 7,10% \$103,827 \$594,080 45,00% 267,338 \$71,715	(176,039) (\$177,285) \$952 \$0 0 0 \$0 \$952 \$3,142,222 0.03% 6.73% \$211,434	(176,196) (\$177,443) \$14,810 0 \$0 \$0 \$1,4810 \$3,206,673 0,40% 6,73% \$215,717 \$1,316,155 45,00% \$92,270 \$14,810	(178,419) (\$177,887) \$85,742 \$0 0 \$0 \$0 \$65,742 \$3,247,539 2.02% 6.72% \$218,395	(176,723) (\$177,974) \$120,842 \$0 0 0 \$120,842 \$3,262,809 3,70% 6,72% \$219,336 \$1,229,438 45,00% 533,247 \$120,842	(210,146) (\$211,633) \$129,397 \$0 0 30 \$129,397 \$3,044,165 4.25% 6.70% \$203,840 \$1,310,286 45,00% 568,630	(195) (209,506) (3210,989) \$175,533 \$0 0 0 0 \$0 \$175,633 \$3,052,479 5.75% 6.63% \$202,329 \$1,832,579 45,00% 824,681	(204,596) (\$204,596) (\$206,045) \$176,535 \$0 0 \$0 \$30 \$176,535 \$2,964,962 6.62% 6.62% \$176,534	(199,498) (\$200,910) \$172,087 30 0 0 0 \$172,067 \$2,599,443 6.62% 6.62% \$172,066
Property Taxes:  Total Non Operating Expenses  Total Non Operating Expenses  Tell Income See worksheet for taxable income below) Income Taxes: State 5.50% Federal 34.00%  Total Income Taxes  Interest Expense Allowed Return Achieved Allowed Return Achieved Worksheet for Taxable Income: Interest Expense - Total Allocated Interest Expense - Water  Journal No. 10	(80,664) (\$81,235) \$116,434 \$0 0 \$0 \$0 \$16,434 \$933,843 12.47% 12.04% \$112,447	(107,386) (\$108,146) \$85,179 30 \$0 \$0 \$65,179 \$1,486,952 4.38% 7.10% \$105,596	(105,966) (\$106,716) \$71,715 0 0 \$0 \$71,715 \$1,462,184 4.90% 7.10% \$103,827 \$594,080 45,00% 267,336	(176,039) (\$177,285) \$952 \$952 0 0 \$0 \$952 \$3,142,222 0.03% 6.73% \$211,434	(176,196) (\$177,443) \$14,810 0 0 \$0 \$14,870 \$3,206,673 0.46% 6.73% \$215,717	(176,419) (\$177,887) \$65,742 \$0 0 \$0 \$65,742 \$3,247,539 2.02% 6.72% \$218,395	(176,723) (\$177,974) \$120,842 \$0 0 \$0 \$120,842 \$3,262,809 3.70% 6.72% \$219,336 45.00% 553,247	(210,146) (\$211,633) \$129,397 \$0 0 0 \$0 \$129,387 \$3,044,105 4.25% 6.70% \$203,840 \$1,310,288 45,00% 589,630	(195) (209,506) (\$210,989) \$175,533 \$175,533 0 0 0 \$30 \$175,633 \$3,052,479 5.75% 6.63% \$202,329	(204,596) (\$206,045) \$176,535 \$0 0 \$0 \$176,535 \$2,664,962 6.62% 6.62% 3176,534	(199,496) (\$200,510) \$172,087 30 0 0 \$172,087 \$2,599,443 6.62% 6.62% \$172,086

<sup>(1)</sup> Allocation percentage based upon current water rate base as a percentage of total rate base.

SOURCE: BURTON & ASSOCIATES

C: DATA\123\CU\DRAFT\FAMS0207.\WK4

<sup>(2)</sup> For simplicity, taxable income is calculated separately for water and wastewater, however, the tax return would be filled on a consolidated basis. Furthermore, taxable income is not allowed to go negative in this model for water or wastewater. Negative taxable income in either system could offset taxable income in the other system and a net negative taxable income would result in tax credits that could potentially be carried forward or back.

## INTERCOASTAL UTILITIES WATER & SEWER SYSTEM PRO-FORMA INCOME PROJECTIONS - SEWER SYSTEM

Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

		Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	<u>Sewer</u>	1999	2000	2001	2002	2003	2004	2005	2006	2007	2006	2009
	Revenues:						· <del></del>	<del></del>				
1	Rate Revenue;											
2	Rate Revenue	\$1,997,770	\$1,997,770	\$2,177,570	\$2,373,551	\$2,831,443	\$3,308,561	\$3,755,335	\$3,792,281	\$3,826,467	\$4,276,338	\$4,443,519
3	Growth Percentage	NA.	9.00%	9.00%	19.29%	16.85%	15.05%	13.68%	12.61%	11.76%	4.49%	4.21%
4	Rate Revenue from Growth	0	179,799	195,981	457,892	477,118	498,074	513,896	478,303	449,871	191,798	185,919
2	Rate Revenue Prior to Rate Adjustment Percentage Rate Increase	\$1,997,770 0.00%	\$2,177,570 0.00%	\$2,373,551 0.00%	\$2,831,443	\$3,308,561 0,00%	\$3,806,635	\$4,269,231	\$4,270,583	\$4,276,338	\$4,468,136	\$4,630,438
7	Rate Revenue from Rate Adjustment	0.00%	0.00% n	0.00%	0.00%	0.00%	-1.35% (51,300)	-11,17% (476,950)	-10.40% (444,116)	0.00%	-0.55% (24,618)	-2.17% (100,282)
à	Total Rate Revenue	\$1,997,770	\$2,177,570	\$2,373,551	\$2,831,443	\$3,308,561	\$3,755,335	\$3,792,281	\$3,826,467	\$4,276,338	\$4,443,519	\$4,530,155
10	Other Revenue:											
11	Misc. Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Other Revenue	0	0	Ō	Ö	Ö	Ö	Ö	Ö	Ö	Ö	Ō
13	Total Other Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	Total Revenues	\$1,997,770	\$2,177,570	\$2,373,551	\$2,831,443	\$3,308,561	\$3,755,335	\$3,792,281	\$3,826,467	\$4,276,338	\$4,443,519	\$4,530,155
15 16	Expenses;											
17	Expenses.											
18	Additional O&M - Western Svc Area	\$0	\$0	\$0	\$279,477	\$300,064	\$320,612	\$341,282	\$362,794	\$393,756	\$409,926	\$426,286
19	Operating Expenses- Eastern Svc Area	\$1,195,116	\$1,492,458	\$1,551,002	\$1,649,069	\$1,743,275	\$1,835,033	\$1,925,337	\$2,014,925	\$2,104,372	\$2,159,533	\$2,214,637
20	Rate Case Expense	56,996	56,996	56,996	56,996	56,996	56,996	56,996	56,996	56,996	56,996	56,996
21	Franchise Fee- PSC	0	97,991	106,810	127,415	148,885	168,990	170,653	172,191	192,435	199,958	203,857
22 23	Depreciation (U & U Amt Only) Amort of CIAC (U & U Amt Only)	436,254	526,187	541,328	648,355	890,848	942,191	982,560	1,024,859	1,036,213	1,038,231	1,114,146
24	Amort of Acq Adj	(262,148) 6,253	(281,441) 6,253	(302,470) 6,253	(315,840) 6,253	(397,071) 6,253	(456,242) 6,253	(512,137) 6,253	(570,704) 6,253	(531,370) 6,253	(520,610) 6,253	(572,702) 6,253
25	Total Expenses	\$1,432,471	\$1,898,444	\$1,959,918	32,451,725	\$2,749,251	\$2,873,833	\$2,970,943	\$3,087,315	\$3,258,655	\$3,350,288	\$3,449,473
26	Operating Income	\$565,299	\$279,128	\$413,633	\$379,718	\$559,311	\$881,502	\$821,337	\$759,153	\$1,017,683	\$1,093,231	\$1,080,682
27 28	Non-Assessing business (Bassessa).											
29	Non Operating Income (Expenses): Non Oper Rev	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Taxes Other Than Income:	<b>3</b> 0	<b>3</b> U	\$u	20	30	<b>3</b> 0	<b>3</b> U	30	20	30	20
31	Intendible Tax	0	. 0	0	0	0	0	0	0	0	0	0
32	Other Taxes & Licenses	(75)	(76)	(75)	(131)	(132)	(134)	(135)	(137)	(196)	(191)	(186)
33 34	Property Taxes:	(400 705)	(424 284)	(420.202)	(224 472)	(222 577)	(204 404)	(000 770)	(222 227)	(220.04.0)	(994.494)	(000 050)
35		(129,725)	(131,384)	(130,382)	(226,173)	(228,577)	(231,101)	(233,773)	(236,627)	(339,818)	(331,105)	(322,050)
36	Total Non Operating Expenses	(\$129,800)	(\$131,460)	(\$130,457)	(\$226,304)	(\$228,709)	(\$231,234)	(\$233,908)	(\$236,764)	(\$340,014)	(\$331,298)	(\$322,238)
37 38	Net Income Taxable Income (See worksheet for taxable Income below)	\$435,499 \$213,813	\$147,666 \$0	\$283,175 \$0	\$153,414 \$0	\$330,601 \$0	\$650,268 \$0	\$587,429 \$0	\$522,389 \$0	\$677,669 \$0	\$761,935	\$758,448 \$0
39	Income Taxes:	\$213,013	30	\$0	<b>≱</b> U	au	<b>\$</b> U	<b>3</b> 0	•0	30	\$0	<b>3</b> U
40	5.50%	11,760	0	0	0	0	0	0	0	0	0	0
41	34.00%	68,698	0	C	0	0	0	0	0	0	0	0
42	Total Income Taxes	\$80,458	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43 44	Net After Tax Income	\$355,041	\$147,666	\$283,175	\$153,414	\$330,601	\$650,268	\$587,429	\$522,389	\$677,669	\$761,935	\$758,446
45	Rate Sase	\$4,979,232	\$4,854,791	\$4,441,919	\$10,345,802	\$10,444,759	\$9,669,493	\$8,738,489	\$7,801,402	\$12,959,789	\$11,502,170	\$11,458,008
46	Barto and Bartonian Arbitrary of	7 400	200		4 4551	0.494	. 704	. 704	. 704	E 000		
47 48	Rate of Return Achieved Allowed Return	7.13% 12.04%	3.04% 7.10%	6.38% 7.10%	1.48% 6.73%	3.17% 6.73%	6.72% 6.72%	6.72% 6.72%	6.70% 6.70%	5.23% 6.63%	6.62% 6.62%	6.62% 6.62%
49	Allowed Return Amount	\$599,500	\$344,769	\$315,412	\$696,150	\$702,634	\$650,267	\$587,428	\$522,388	\$859,022	\$761,934	\$758,445
				7010,112	4000,100	0,02,00						
50 51	Worksheet for Taxable Income:											
52	Interest Expense - Total	\$403,065	\$604,884	\$594,080	\$1,354,356	\$1,316,155	\$1,273,219	\$1,229,438	\$1,310,288	\$1,832,579	\$1,760,731	\$1,683,981
53	Allocation Percentage to Sewer (1)	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%
54	Allocated Interest Expense - Sewer	221,685	332,686	326,744	744,896	723,885	700,270	676,191	720,858	1,007,918	968,402	926,190
55	Destrictment of that Income Defore Income Toy	\$435,499	\$147,666	\$283,175	\$153,414	\$330,601	\$650,268	\$587,429	\$522,389	\$677,669	\$761,935	\$758,446
56 57	Restatement of Net Income Before Income Tax LESS: Interest Expense - Sewer	221,686	332,686	\$263,175 326,744	744,896	723.885	700,270	676,191	720,658	1,007,918	968,402	926,190
58	Taxable Income - Sewer (2)	\$213.813	332,000	520,744	747,050	723,563	700,270	50,151	720,030	50	500,402	50,150
	· · · · · · · · · · · · · · · · · · ·			**	**	**	**		**			**

<sup>(1)</sup> Allocation percentage based upon current water rate base as a percentage of total rate base.



<sup>(1)</sup> For simplicity, taxable income is calculated separately for water and wastewater, however, the tax return would be filed on a consolidated basis. Furthermore, taxable income is not allowed to go negative in this model for water or wastewater. Negative taxable income in either system could offset taxable income in the other system and a net negative taxable income would result in tax credits that could potentially be carried forward or back.

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM DEPRECIATION SCHEDULE - WATER

### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

Water

Existing Asset Depreciation

Existing Assets	V	Estimated	1.4- 64								
Franchises	Year 1980	Original Cost \$34,630									
2 Structures	1982		NA SS								
		12,746	33								
	1985	50,533	30								
Other Pumping	1987	4,095	20								
Pumping Equip	1990	13,536	20								
Other Water Source Plant	1985	536	25								
Structures & Improvements	1993	35,424	33								
3 Treatment	1986	992,638	22								
Dist Reservoirs	1992	310,310	37								
) Mains	1989	3,310,401	45								
Services	1991	745,443	40								
2 Meters	1992	344,873	20								
B Hydrants	1992	403,951	45								
Other T&D	1986	33,635	25								
Supply Mains	1991	1,392	35								
General	1980	2,190	33								
7 Furniture	1994	3,688									
			15								
	1987	732	10								
	1992	3,720	15								
Acquisition	1983	187,303	40								
Total Estimated Original Cost		\$6,491,776						•			
Adjustment to 1998 Annual Report Utility Plant In Service		(29,167)									
3 Total Utility Plant In Service		\$6,462,609									
Depreciation Schedule - Existing Assets	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	200
Franchises		•	•	•		-					
5 Structures	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$386	\$38
Wells & Springs	1,684	1,684	1,684	1,684	1,684	1,684	1,684	1,684	1,684	1,684	1,6
7 Other Pumping	205	205	205	205	205	205	205	205	1,004	1,007	.,0
B Pumping Equip	677	677	677	677	677	677	677	677	677	677	6
Other Water Source Plant	21	21	21	21	21	21	21	21	21	21	·
Structures & Improvements	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,0
Treatment	45,120	45,120	45,120	45,120	45,120	45,120	45,120	45,120		1,073	1,0
2 Dist Reservoirs	8,387	8,387							45,120		
B Mains			8,387	8,387	8,387	8,387	8,387	8,387	8,387	8,387	8,3
	73,564	73,564	73,564	73,564	73,564	73,564	73,564	73,564	73,564	73,584	73,5
Services	18,636	18,636	18,636	18,636	18,636	18,636	18,636	18,636	18,636	18,636	18,6
Meters	17,244	17,244	17,244	17,244	17,244	17,244	17,244	17,244	17,244	17,244	17,2
B Hydrants	8,977	8,977	8,977	8,977	8,977	8,977	8,977	8,977	8,977	8,977	8,9
Other T&D				1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,3
	1,345	1,345	1,345								
3 Supply Mains	40	40	1,345 40	40	40	40	40	40	40	40	
General General	40 66	40 66	40 66	40 66	40 66	40 66	40 66	40 66	40 66	40 66	
	40	40	40	40	40	40	40				
General General	40 66	40 66	40 66	40 66	40 66	40 66	40 66	66	66	66	
General Furniture Power Equip	40 66 246	40 68 248	40 66 248	40 68 246	40 68 248	40 66 246	40 66 246	66 246 -	66	66	
General Furniture Power Equip Misc Equip	40 68 246 248	40 88 248 - 248	40 66 248 -	40 68 246 248	40 68 248 248	40 68 246 248	40 66 246 -	66 246 - 248	66 246 -	66 246 - -	
General Furniture Power Equip Misc Equip Acquisition	40 66 246 - 248 4,683	40 66 246 - 248 4,683	40 66 246 - 248 4,683	40 66 246 248 4.683	40 66 248 - 248 4,683	40 66 246 248 4,683	40 66 246 - 248 4,683	66 246 - 248 4,683	66 246 - - 4,683	66 246 - - 4,683	4,6
General Commiture Commiture Commiture Commiture Commiture Committee Committe	40 66 246 248 4,683 \$182,603	40 66 246 - 248 4,683 \$182,603	40 66 246 - 248 4,683 \$182,603	40 68 246 248 4,683 \$182,603	40 66 248 248 4,683 \$182,603	40 66 246 248 4,683 \$182,603	40 66 246 - 248 4,683 \$182,603	66 246 - 248 4,683 \$182,603	68 248 - 4,683 \$182,150	66 246 - - 4,683 \$137,030	4,6i \$138,7
General Furniture Power Equip Misc Equip Acquisition	40 66 246 - 248 4,683	40 66 246 - 248 4,683	40 66 246 - 248 4,683	40 66 246 248 4.683	40 66 248 - 248 4,683	40 66 246 248 4,683	40 66 246 - 248 4,683	66 246 - 248 4,683	66 246 - - 4,683	66 246 - - 4,683	4,68 \$138,78 3,83 \$140,8

SOURCE: BURTON & ASSOCIATES C:\Data\123\Cu\Draft\fams0207,WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM DEPRECIATION SCHEDULE - WATER

## Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

#### **Water**

#### **New Asset Depreciation**

			Estimated	
1	New Assets	Year	Original Cost	Life (Years)
1 -	Water Plant- East Svc Area	2000	\$1,500,000	26
2	12" PVC Water Main	2002	405,000	45
3	16" PVC Water Main	2002	608,000	45
4	750 GPM Supply Wells	2002	150,000	30
5	12" PVC Well Header	2002	90,000	45
6	1.5 MG Reservoir w/ Aerator	2002	500,000	40
7	Pumping Station #1 Complete	2002	1,400,000	25
8	Engineering & Contingency	2002	813,250	30
9	2.0 MG Reservoir w. Aerator	2006	700,000	40
10	Expand Pump Station #1	2006	600,000	20
11	750 GPM Supply Wells	2006	150,000	30
12	12" PVC Well Header	2006	60,000	45
13	16" PVC Well Header	2006	38,000	45
14	Engineering & Contingency	2006	387,000	30
15	Land	2000	100,000	

	Depreciation Schedule - New Assets	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
16	Water Plant- East Svc Area			\$28,846	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692	\$57,692
17	12" PVC Water Main		-	-	-	4,500	9,000	9,000	9,000	9,000	9,000	9,000	9,000
18	16" PVC Water Main		-			6,756	13,511	13,511	13,511	13,511	13,511	13,511	13,511
19	750 GPM Supply Wells		-		•	2,500	5,000	5,000	5,000	5,000	5,000	5,000	5,000
20	12" PVC Well Header		•	-	-	1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
21	1.5 MG Reservoir w/ Aerator		-	-	•	6,250	12,500	12,500	12,500	12,500	12,500	12,500	12,500
22	Pumping Station #1 Complete		-		-	28,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000
23	Engineering & Contingency		-	-	-	13,554	27,108	27,108	27,108	27,108	27,108	27,108	27,108
24	2.0 MG Reservoir w. Aerator		•	-	-	-	-	•	•	8,750	17,500	17,500	17,500
25			-	•	-	-		•	•	15,000	30,000	30,000	30,000
26	750 GPM Supply Wells		•	-	-	-	•	-	•	2,500	5,000	5,000	5,000
27	12" PVC Well Header		•	-	-	-	-	•	-	667	1,333	1,333	1,333
28	16" PVC Well Header		•	-	-	-	-	•	•	422	844	844	844
29	Engineering & Contingency		•	-	-	-	•	•	•	6,450	12,900	12,900	12,900
30	) Land		-	-	•		-	-	-	•			
47	CIAC Plant		•	5,178	10,822	24,009	37,750	52,095	67,097	82,816	99,317	106,352	113,246
48	Total New Depreciation		-	\$34,024	\$68,515	\$144,261	\$220,562	\$234,906	\$249,908	\$299,417	\$349,706	\$356,741	\$363,635
	Total Depreciation - Water												
49	Total Existing Depreciation		\$182,603	\$182,603	\$182,603	\$182,603	\$182,603	\$182,603	\$182,603	\$182,603	\$182,150	\$137,030	\$136,784
	Total New Depreciation			34,024	68,515	144,261	220,562	234,906	249,908	299,417	349,706	356,741	363,635
	Total Depreciation		\$182,603	\$216,627	\$251,117	\$326,864	\$403,165	\$417,509	\$432,511	\$482,019	\$531,856	\$493,771	\$500,419
52	Accumulated Depreciation	\$1,635,149	\$1,817,752	\$2,034,379	\$2,285,496	\$2,612,360	\$3,015,525	\$3,433,033	\$3,865,544	\$4,347,564	\$4,879,420	\$5,373,191	\$5,873,610

SOURCE: BURTON & ASSOCIATES C:\DATA\123\CU\DRAFT\FAMS\0207\WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM <u>DEPRECIATION SCHEDULE - SEWER</u>

## Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

SEWER:

Existing Asset Depreciation

	<b>-</b>	Estimated								
	Existing Assets	Year	Original Cost	Life (Years)						
1	Franchises	1980	\$34,630	NA.						
2	Sewers-Force	1991	1,209,416	30						
3	Sewers-Gravity	1989	4,843,762	45						
4	Other	1985	75,209	40						
5	Services	1991	737,204	38						
6	Receiving Well	1991	459,021	30						
7	Pumping Equip	1992	996,960	18						
8	Structures	1986	78,871	32						
9	Treat Equip	1990	1,840,940	18						
10	Outfall Sewer	1987	4,941	30						
11	Other Treatment	1991	13,265	18						
12	Structures	1994	90,237	32						
13	General	1981	6,241	32						
14	Furniture	1986	711	15						
15	Laboratory	1995	7,747	15						
16	Power Equip	1983	732	12						
17	Misc Equip	1989	1,589	15						
18		1983	243,854	39						
19	Total Estimated Original Cost		\$10,645,330							
20	Adjustment to 1998 Annual Report Utility Plant In Service		308,909							
21	Total Utility Plant In Service		\$10,954,239							
	•		T. 5,30 1,200							

Depreciation Schedule - Existing Assets	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
22 Franchises	-	-	-	-						2000	2003
23 Sewers-Force	\$40,314	\$40,314	\$40,314	\$40,314	\$40,314	\$40.314	\$40,314	\$40,314	\$40,314	\$40,314	\$40,314
24 Sewers-Gravity	107,639	107,639	107,639	107,639	107,639	107,639	107,639	107,639	107,639	107,639	107,639
25 Other	1,880	1,880	1,880	1,880	1,880	1.880	1,880	1,880	1,880	1,880	1,880
26 Services	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400
27 Receiving Well	15,301	15,301	15,301	15,301	15,301	15,301	15,301	15,301	15,301	15,301	15,301
28 Pumping Equip	55,387	55,387	55,387	55,387	55,387	55,387	55,387	55,387	55,387	55,387	55,387
29 Structures	2,465	2,465	2,465	2,465	2,465	2,465	2,465	2,465	2,465	2,465	2,465
30 Treat Equip	102,274	102,274	102,274	102,274	102,274	102,274	102,274	102,274	102,274	2,400	2,400
31 Outfall Sewer	165	165	165	165	165	165	165	165	165	165	165
32 Other Treatment	737	737	737	737	737	737	737	737	737	737	
33 Structures	2,820	2,820	2,820	2,820	2,820	2,820	2,820	2,820	2,820	2,820	2,820
34 General	195	195	195	195	195	195	195	195	195	195	195
35 Furniture	47	47	-	-	•	•		•			
36 Laboratory	516	516	516	516	516	516	516	516	516	516	516
37 Power Equip	-	-	•	•	•	-	-		0.0	0.0	515
38 Misc Equip	106	106	106	106	106	-		-	_	_	_
39 Acquisition	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253	6,253
40 Total Existing Depreciation	\$355,499	\$355,499	\$355,452	\$355,452	\$355,452	\$355,346	\$355,346	\$355,346	\$355,346	\$253,071	\$252,334
41 Adjustment to Reconcile to Accounting Records	4,756	4,756	4,756	4,756	4,756	4,756	4,756	4,756	4,756	4,756	4,756
42 Total Existing Depreciation	\$360,255	\$360,255	\$360,208	\$360,208	\$360,208	\$360,102	\$360,102	\$360,102	\$360,102	\$257,827	\$257,090

SOURCE: BURTON & ASSOCIATES C:\DATA\123\CU\DRAFT\FAM\\$0207.WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM DEPRECIATION SCHEDULE - SEWER

## Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

SEWER:

New Asset Depreciation

			Estimated	
	New Assets	Year	Original Cost	Life (Years)
1	WWTP Improvement East Svc Area	1999	\$3,343,962	22
2	Lift Station (Marsh Harbour)	2002	70,000	21
3	Lift Station (Walden Chase)	2002	115,000	21
4	6" PVC Force Main	2002	283,500	30
5	8" PVC Force Main	2002	310,500	30
6	1.0 MGD WWTP	2002	5,000,000	26
7	12" PVC Outfall	2002	450,000	30
8	Engineering & Contingency	2002	1,619,750	30
9	1.5 MGD WWTP Expansion	2007	6,750,000	26
10	Lift Station Nocatee	2007	115,000	21
11	8" PVC Force Main	2007	115,000	30
12	Engineering & Contingency	2007	1,745,000	30
13	Land	2000	250,000	

De	epreciation Schedule - New Assets	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
14	WWTP Improvement East Svc Area	\$75,999	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998	\$151,998
15	Lift Station (Marsh Harbour)			-	1,667	3,333	3,333	3,333	3,333	3,333	3,333	3,333
16	Lift Station (Walden Chase)		-	-	2,738	5,476	5,476	5,476	5,476	5,476	5,476	5,476
17	6" PVC Force Main		-		4,725	9,450	9,450	9,450	9,450	9,450	9,450	9,450
18	8" PVC Force Main			-	5,175	10,350	10,350	10,350	10,350	10,350	10,350	10,350
19	1.0 MGD WWTP	-	-		96,154	192,308	192,308	192,308	192,308	192,308	192,308	192,308
20	12" PVC Outfall	-		•	7,500	15,000	15,000	15,000	15,000	15,000	15,000	15,000
21	Engineering & Contingency			-	26,996	53,992	53,992	53,992	53,992	53,992	53,992	53,992
22	1.5 MGD WWTP Expansion							-	•	129,808	259,615	259,615
23	Lift Station Nocatee						-	•	-	2,738	5,476	5,476
	8" PVC Force Main				_			-	•	1,917	3,833	3,833
24		_	_					-		29,083	58,167	58,167
25	Engineering & Contingency								-		-	-
26	Land		13,934	29,122	64,607	101,583	140,182	180,551	222,850	267,253	286,183	304,734
27_	CIAC Plant	\$75,999	\$165,932	\$181,120	\$361,560	\$543,490	\$582,089	\$622,459	\$664,758	\$872,706	\$1,055,182	\$1,073,733
28 16	otal New Depreciation	\$15,555	\$100,502	\$101,120	4001,000	40 10, 100	4002,000	<b>7522,</b> 122				
_												
1	otal Depreciation - Sewer											
		\$360,255	\$360,255	\$360,208	\$360,208	\$360,208	\$360,102	\$360,102	\$360,102	\$360,102	\$257,827	\$257,090
	otal Existing Depreciation		165,932	181,120	361,560	543,490	582,089	622,459	664,758	872,706	1,055,182	1,073,733
	otal New Depreciation	75,999		\$541,328	\$721,768	\$903,697	\$942,191	\$982,560	\$1,024,859	\$1,232,807	\$1,313,009	\$1,330,823
31 T	otal Depreciation	\$436,254	\$526,187	\$341,328	\$121,100	#803 <sub>1</sub> 081	40-12,101	4002,000	4.,524,650	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,	

\$2,768,561 \$3,204,815 \$3,731,002 \$4,272,330 \$4,994,098 \$5,897,795 \$6,839,986 \$7,822,546 \$8,847,405 \$10,080,212 \$11,393,221 \$12,724,045

32 Accumulated Depreciation
SOURCE: BURTON & ASSOCIATES
C:DATA1/23VCU/DRAFT/FAMS0207.WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - WATER

### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

### Water - Existing CIAC

#### **Existing CIAC**

			Estimated	
	Existing CIAC- Plant	Year	Original Cost	Life (Years)
1	Other	1989	\$29,688	30
2	Dist Reservoirs & Standpipes	1992	24,490	37
3	Transmission & Dist Mains	1988	2,585,764	45
4	Services	1990	559,129	40
5	Meters & Meter Installs	1992	181,201	20
6	Hydrants	1990	307,505	45
7	Total Existing CIAC - Plant		\$3 687 777	

			Estimated	
	Existing CiAC - Cash	Year	Original Cost	Life (Years)
8	Cash	1991	\$1,318,650	30
9	Total Existing CIAC - Cash		\$1,318,650	
10	Total Existing CIAC		\$5,006,427	
11	Adjustment to 1998 Annual Report		130,062	
12	Total Existing CIAC		\$5,136,489	

## Amortization of Existing CIAC

4	Amortization Schedule - Existing Plant CIAC	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
13	Other	\$990	\$990	\$990	\$990	\$990	\$990	\$990	\$990	\$990	\$990	\$990
14	Dist Reservoirs & Standpipes	662	662	662	662	662	662	662	662	662	662	662
15	Transmission & Dist Mains	57,461	57,461	57,461	57,461	57,461	57,461	57,461	57,461	57,461	57,461	57,461
16	Services	13,978	13,978	13,978	13,978	13,978	13,978	13,978	13,978	13,978	13,978	13,978
17	Meters & Meter Instalis	9,060	9,060	9,060	9.060	9,060	9,060	9,060	9,060	9,060	9,060	9,060
18	Hydrants	6,833	6,833	6,833	6.833	6,833	6,833	6,833	6,833	6,833	6,833	6,833
19 "	Total Plant Amortization	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985	\$88,985
		• •		•		• •	•	·	•			

	Amortization Schedule - Existing Cash CIAC											
20	Cash	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955
21	Total Cash CIAC Amortization	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955	\$43,955
22	Total Existing CIAC Amortization	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940	\$132,940
23	Adjustment to Reconcile to Accounting Records	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373	\$10,373
24	Total Existing CIAC Amortization	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313	\$143,313

SOURCE: BURTON & ASSOCIATES C:\Data\123\cu\Draft\fams0207.WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - WATER

### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

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N	ew	Δ	۱.

,	Hen Sins												
	New CIAC- Plant:		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1 '	New CIAC- Plant	\$804	_	\$155,344	\$169,325	\$395,613	\$412,224	\$430,329	\$450,065	\$471,576	\$495,024	\$211,048	\$206,819
2	Life	30	-	\$100,044	# 10 <del>8</del> ,325	9090,013	4712,227	3430,325	\$450,005	\$47 I,070	3450,024	\$211,040	\$200,019
3 '	Total New CIAC - Plant	<del></del>	-	\$155,344	\$169,325	\$395,613	\$412,224	\$430,329	\$450,065	\$471,576	\$495,024	\$211,048	\$206,819
4	New CIAC - Cash:												
j R	New CIAC - Cash Life	30	-	\$60,287	\$65,713	\$153,532	\$159,979	\$167,005	\$174,664	\$183,013	\$192,112	\$81,905	\$80,264
<i>;</i> `	Total New CIAC - Cash		•	\$60,287	\$65,713	\$153,532	\$159,979	\$167,005	\$174,664	\$183,013	\$192,112	\$81,905	\$80,264
8	Total New CIAC		•	\$215,631	\$235,038	\$549,145	\$572,202	\$597,335	\$624,729	\$654,589	\$687,136	\$292,953	\$287,083
	Amortization of New CIAC												
	Amortization Schedule - New CIAC Assets		<u>1999</u>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
9	New CIAC - Plant Amortization		•	\$5,178	\$10,822	\$24,009	\$37,750	\$52,095	\$67,097	\$82.816	\$99,317	\$106,352	\$113,246
10	Total New CIAC - Plant Amortization		•	\$5,178	\$10,822	\$24,009	\$37,750	\$52,095	\$67,097	\$82,816	\$99,317	\$106,352	\$113,246
	New CIAC - Cash Amortization			\$2,010	\$4,200	\$9,318	\$14,650	\$20,217	\$26,039	\$32,140	\$38,544	\$41,274	\$43,949
11	Total New CIAC - Cash Amortization		-	\$2,010	\$4,200	\$9,318	\$14,650	\$20,217	\$26,039	\$32,140	\$38,544	\$41,274	\$43,949
12	Total New CIAC Amortization		•	\$7,188	\$15,022	\$33,327	\$52,401	\$72,312	\$93,136	\$114 <b>,9</b> 56	\$137, <del>86</del> 0	\$147,625	\$157,195
	Summary of CIAC & CIAC Amortiza	ition - Water					· · · · ·						
	CIAC	Existing 1998	1999	2000	2001	2002	2003	2004	2006	2006	2007	2008	2009
	Total Existing CIAC Total New CIAC	\$5,136,489		\$215,631	\$235,038	\$549,145	\$572,202	\$597,335	\$624,729	\$654,589	\$687,136	\$292,953	\$287,083
	Total Accumulated CIAC - Water	\$5,136,489	\$5,136,489	\$5,352,120	\$5,587,159	\$6,136,304	\$6,708,506	\$7,305,841	\$7,930,570	\$8,585,158	\$9,272,294	\$9,565,248	\$9,852,331
	CIAC Amortization		4/45.545	8115.515	#248 A4A	8//0.5/5	#17# #18	A/15 6/6	A/15 5/5	#448.545	4445.545	****	
	Total Existing CIAC Annual Amortization Total New CIAC Annual Amortization		\$143,313	\$143,313 7,188	\$143,313 15,022	\$143,313 33,327	\$143,313 52,401	\$143,313 72,312	\$143,313 93,136	\$143,313 114,956	\$143,313 137,860	\$143,313 147,625	\$143,313 157,195
	Total CIAC Annual Amortization - Water		\$143,313	\$150,501	\$158,335	\$176,640	\$195,713	\$215,625	\$236,449	\$258,268	\$281,173	\$290,938	\$300,508
19	Accumulated CIAC Amortization	\$1,078,705	\$1,222,018	\$1,372,518	\$1,530,853	\$1,707,493	\$1,903,207	\$2,118,831	\$2,355,2 <del>8</del> 0	\$2,613,548	\$2,894,721	\$3,185,660	\$3,486,167

SOURCE: BURTON & ASSOCIATES C:\DATA\123\\CU\DRAFT\FAMS\0207\WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - SEWER

## Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

### Sewer - Existing CIAC

### **Existing CIAC**

	C.J41 0140 D		Estimated	
	Existing CIAC - Plant	Year	Original Cost	Life (Years)
1	Other	1992	\$73,594	30
2	Sewers - Force	1989	860,755	30
3	Sewers - Gravity	1988	3,717,755	45
4	Other - Collecting	1985	62,148	40
5	Services	1990	561,347	38
6	Structures	1997	5,500	32
7	Receiving Well	1991	247,738	30
8	Pumping Equipment	1990	501,274	18
9	Total Existing CIAC - Plant		\$6,030,111	

		Estimated
	Existing CIAC - Cash	Year Original Cost Life (Years)
10	Cash	1992 \$2,386,734 30
	Total Existing CIAC - Cash	\$2,386,734
	Total Existing CIAC	\$8,416,845
12	Adjustment to 1998 Annual Report	185,922
13	Total Existing CIAC	\$8,602,767

### **Amortization of Existing CIAC**

	Amortization Schedule - Existing Plant CIAC	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
14	Other	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453	\$2,453
15	Sewers - Force	28,692	28,692	28,692	28,692	28,692	28,692	28,692	28,692	28,692	28,692	28,692
16	Sewers - Gravity	82,617	82,617	82,617	82,617	82.617	82,617	82.617	82,617	82,617	82,617	82,617
17	Other - Collecting	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554	1,554
18	Services	14,772	14,772	14,772	14,772	14.772	14,772	14,772	14,772	14,772	14,772	14,772
19	Structures	172	172	172	172	172	172	172	172	172	172	172
20	Receiving Well	8,258	8.258	8,258	8,258	8,258	8,258	8,258	8,258	8,258	8,258	8,258
21	Pumping Equipment	27,849	27,849	27,849	27,849	27,849	27,849	27,849	27,849	27,849	0,200	0,200
22	Total Plant Amortization	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$166,366	\$138.518	\$138.518

	Amortization Schedule - Existing Cash CIAC											
23		\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558
24	Total Cash CIAC Amortization	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558	\$79,558
	Total Existing CIAC Amortization	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$245,924	\$218.075	\$218,075
	Adjustment to Reconcile to Accounting Records	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$16,224	\$44,072	\$44,072
25	Total Existing CIAC Amortization	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148	\$262,148

SOURCE: BURTON & ASSOCIATES C:\DATA\123\ICU\DRAFT\FAMS0207.WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - SEWER

### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

#### **New CIAC**

	New CIAC - Plant:												\$556,533
2	New CIAC - Plant Life	\$1,626 30	-	\$418,018	\$455,640	\$1,064,560	\$1,109,258	\$1,157,980	\$1,211,086	\$1,268,971	\$1,332,066	\$567,913	\$000,033
3	Total New CIAC - Plant	30	-	\$418,018	\$455,640	\$1,064,560	\$1,109,258	\$1,157,980	\$1,211,086	\$1,268,971	\$1,332,066	\$567,913	\$556,533
	New CIAC - Cash:										****	****	2044.007
4	New CIAC- Cash Life	30	•	\$160,766	\$175,235	\$409,419	\$426,610	\$445,348	\$465,772	\$488,034	\$512,300	\$218,414	\$214,037
6	Total New CIAC - Cash		•	\$160,766	\$175,235	\$409,419	\$426,610	\$445,348	\$465,772	\$488,034	\$512,300	\$218,414	\$214,037
7	Total New CIAC		•	\$578,784	\$630,875	\$1,473,979	\$1,535,868	\$1,603,327	\$1,676,857	\$1,757,005	\$1,844,366	\$786,326	\$770,670
	Amortization of New CIAC												
	Amortization Schedule - New CIAC Assets		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	200
8	New CIAC - Plant Amortization		_	\$13.934	\$29,122	\$64.607	\$101,583	\$140,182	\$180,551	\$222,850	\$267,253	\$286,183	\$304,73
9	Total New CIAC - Plant Amortization		•	\$13,934	\$29,122	\$64,607	\$101,583	\$140,182	\$180,551	\$222,850	\$267,253	\$286,183	\$304,73
10	New CIAC- Cash Amortization			\$5,359	\$11,200	\$24,847	\$39,068	\$53,913	\$69,438_	\$85,706	\$102,783	\$110,063	\$117,19
11	Total Cash Amortization		-	\$5,359	\$11,200	\$24,847	\$39,068	\$53,913	\$69,438	\$85,706	\$102,783	\$110,063	\$117,19
12	Total New CIAC Amortization		•	\$19,293	\$40,322	\$89,455	\$140,650	\$194,094	\$249,990	\$308,557	\$370,035	\$396,246	\$421,93
12	Total New CIAC Amortization  Summary of CIAC & CIAC Amorti	zation - Sewer	-	\$19,293	\$40,322	\$89,455	\$140,850	\$194,094	\$249,990	\$308,557	\$370,035	\$396,246	\$421,93
12	Summary of CIAC & CIAC Amorti	Existing 1998	1999	\$19,293 2000	\$40,322 2001	\$89,455	\$140,650 2003	\$194,094	\$249,990 2005	\$308,557 2006	\$370,035 2007	\$396,246 2008	
13	Summary of CIAC & CIAC Amorti  CIAC Total Existing CIAC		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	200
	Summary of CIAC & CIAC Amorti	Existing 1998	1999								2007		<b>200</b> 770,57
13 14 15	Summary of CIAC & CIAC Amorti CIAC Total Existing CIAC Total New CIAC Total Accumulated CIAC - Sewer CIAC Amortization	Existing 1998 \$8,602,767	\$8,602,767	2000 578,784 \$9,181,551	2001 630,875 \$9,812,426	2002 1,473,979 \$11,286,405	2003 1,535,868 \$12,822,273	2004 1,603,327 \$14,425,600	2005 1,676,857 \$16,102,458	2006 1,757,005 \$17,859,462	2007 1,844,366 \$19,703,828	2008 786,326 \$20,490,155	770,57 \$21,260,72
13 14 15	Summary of CIAC & CIAC Amorti  CIAC Total Existing CIAC Total New CIAC Total Accumulated CIAC - Sewer  CIAC Amortization Total Existing CIAC Annual Amortization	Existing 1998 \$8,602,767	-	2000 578,784 \$9,181,551 \$262,148	2001 630,875 \$9,812,426 \$262,148	2002 1,473,979 \$11,286,405 \$262,148	2003 1,535,868 \$12,822,273 \$262,148	2004 1,603,327 \$14,425,600 \$262,148	2006 1,676,857 \$16,102,458 \$262,148	2006 1,757,005 \$17,859,462 \$262,148	2007 1,844,366 \$19,703,828 \$262,148	786,326 \$20,490,155 \$262,148	200 770,57 \$21,260,72 \$262,14
13 14 15	Summary of CIAC & CIAC Amorti CIAC Total Existing CIAC Total New CIAC Total Accumulated CIAC - Sewer CIAC Amortization	Existing 1998 \$8,602,767	\$8,602,767	2000 578,784 \$9,181,551	2001 630,875 \$9,812,426	2002 1,473,979 \$11,286,405	2003 1,535,868 \$12,822,273	2004 1,603,327 \$14,425,600	2005 1,676,857 \$16,102,458	2006 1,757,005 \$17,859,462	2007 1,844,366 \$19,703,828	2008 786,326 \$20,490,155	200 770,57 \$21,260,72 \$262,14 421,93
13 14 15	Summary of CIAC & CIAC Amorti  CIAC Total Existing CIAC Total New CIAC Total Accumulated CIAC - Sewer  CIAC Amortization Total Existing CIAC Annual Amortization Total New CIAC Annual Amortization	Existing 1998 \$8,602,767	\$8,602,767 \$262,148	2000 578,784 \$9,181,551 \$262,148 19,293	2001 630,875 \$9,812,426 \$262,148 40,322	2002 1,473,979 \$11,286,405 \$262,148 89,455	2003 1,535,868 \$12,822,273 \$262,148 140,650	2004 1,603,327 \$14,425,600 \$262,148 194,094	2006 1,676,857 \$16,102,458 \$262,148 249,990	2006 1,757,005 \$17,859,462 \$262,148 308,557	2007 1,844,366 \$19,703,828 \$262,148 370,035	786,326 \$20,490,155 \$262,148 396,246	200 770,57 \$21,260,72 \$262,14 421,93 \$884,08
13 14 15 16 17 18	Summary of CIAC & CIAC Amorti  CIAC  Total Existing CIAC  Total New CIAC  Total Accumulated CIAC - Sewer  CIAC Amortization  Total Existing CIAC Annual Amortization  Total New CIAC Annual Amortization  Total CIAC Annual Amortization - Sewer  Accumulated CIAC Amortization  Total Water & Sewer	Existing 1998 \$8,602,767 \$8,602,767 \$1,936,237	\$8,602,767 \$262,148 \$262,148 \$2,198,385	2000 578,784 \$9,181,551 \$262,148 19,293 \$281,441 \$2,479,825	2001 630,875 \$9,812,426 \$262,148 40,322 \$302,470 \$2,782,295	2002 1,473,979 \$11,286,405 \$262,148 89,455 \$351,602 \$3,133,898	2003 1,535,868 \$12,822,273 \$262,148 140,650 \$402,798 \$3,536,696	2004 1,603,327 \$14,425,600 \$262,148 194,094 \$455,242 \$3,992,938	2005 1,676,857 \$16,102,458 \$262,148 249,990 \$512,137 \$4,605,075	2006 1,757,005 \$17,859,462 \$262,148 308,557 \$570,704 \$5,075,780	2007 1,844,366 \$19,703,828 \$262,148 370,035 \$632,183 \$5,707,963	786,326 \$20,490,155 \$262,148 396,246 \$658,394 \$6,366,357	200 770,57 \$21,260,72 \$262,14 421,93 \$884,08 \$7,060,43
13 14 15 16 17 18	Summary of CIAC & CIAC Amorti  CIAC  Total Existing CIAC  Total New CIAC  Total Accumulated CIAC - Sewer  CIAC Amortization  Total Existing CIAC Annual Amortization  Total New CIAC Annual Amortization  Total New CIAC Annual Amortization  Total CIAC Annual Amortization - Sewer  Accumulated CIAC Amortization	\$8,602,767 \$8,602,767 \$1,936,237	\$8,602,767 \$262,148 \$262,148	2000 578,784 \$9,181,551 \$262,148 19,293 \$281,441	2001 630,875 \$9,812,426 \$262,148 40,322 \$302,470	2002 1,473,979 \$11,286,405 \$262,148 89,455 \$351,602	2003 1,535,868 \$12,822,273 \$262,148 140,650 \$402,798	2004 1,603,327 \$14,425,600 \$262,148 194,094 \$456,242	2006 1,676,857 \$16,102,458 \$262,148 249,990 \$512,137	2006 1,757,005 \$17,859,462 \$262,148 308,557 \$570,704	2007 1,844,366 \$19,703,828 \$262,148 370,035 \$632,183	786,326 \$20,490,155 \$262,148 396,246 \$658,394	2000 770,570 \$21,260,725 \$262,144 421,935 \$884,080 \$7,060,435 \$405,465 579,122 \$384,58

SOURCE: BURTON & ASSOCIATES C:\DATA\123\cuaDraft\fams0207.WK4

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM RATE BASE

## Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

		<u>1999</u>	2000	<u>2001</u>	2002	2003	2004	2005	2006	2007	2008	2009
1	Water Percent Contributed	84%	64%	66%	44%	470	<b>7.44</b>		***			
,	Utility Plant in Service	\$6,462,609				47%	51%	55%	49%	53%	54%	55%
-		30,402,009	\$8,217,953	\$8,387,279	\$12,749,141	\$13,161,365	\$13,591, <del>6</del> 94	\$14,041,759	\$16,448,335	\$16,943,359	\$17,154,407	\$17,361,226
3	Include Construction Work in Progress?	0	0	0	0	0	0	0	0	0	0	0
4	Less: Accumulated Depreciation	(1,817,752)	(2,034,379)	(2,285,496)	(2,612,360)	(3,015,525)	(3,433,033)	(3,865,544)	(4,347,564)	(4,879,420)	(5,373,191)	(5,873,610)
5	Utility Plant In Service less Accum Depr.	\$4,644,857	\$6,183,575	\$6,101,783	\$10,136,781	\$10,145,840	\$10,158,661	\$10,176,214	\$12,100,771	\$12,063,939	\$11.781.216	\$11,487,616
6	Less: Accumulated CIAC	(5,136,489)	(5,352,120)	(5,587,159)	(6,136,304)	(6,708,506)	(7,305,841)	(7,930,570)	(8,585,158)	(9,272,294)	(9.565,248)	(9,852,331)
7	Plus: Accumulated Amortization of CIAC	1,222,018	1,372,518	1,530,853	1,707,493	1,903,207	2,118,831	2,355,280	2,613,548	2,894,721	3,185,660	3,486,167
8	Net Utility Plant in Service	\$730,386	\$2,203,973	\$2,045,477	\$5,707,971	\$5,340,541	\$4,971,651	\$4,600,925	\$6,129,161	\$5,686,366	\$5,401,628	\$5,121,452
9	Plus or Minus:		*= <b>,</b> ===,==	V=,,	00,101,011	00,0 .0,0	4 1,01 1,001	41,000,020	40,123,101	\$0,000,000	40,401,020	40, 121,402
10	Acquisition Adjustments	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303	\$187,303
11	Accumulated Amort of Acq Adjustments	(77,263)	(81,946)	(86,629)	(91,312)	(95,995)	(100,678)	(105,361)	(110,044)	(114,727)	(119,410)	(124,093)
12	Working Capital Allowance 12.50% of O&M	93,517	96,321	99.254	103,432	107,618	111,829	116,080	120,385	124,754	127,669	
13	Other	00,017	00,021	50,204	100,702	107,010	111,029	110,000	120,365	129,709	121,009	130,597
14	Net Utility Plant in Service	\$933,943	80 70F 8F0				V	· · · · · · · · · · · · · · · · · · ·	0	U	U	0
	recounty risks in Service	3933,843	\$2,405,650	\$2,245,408	\$5,907,394	\$5,539,467	\$5,170,105	\$4,798,947	\$6,326,805	\$5,883,696	\$5,597,190	\$5,315,260
15	U&U Percentage	100.00%	61.81%	65,12%	53,19%	57.89%	62.81%	67.99%	48.12%	51.88%	47.61%	48.91%
+6												
16	Lara basa	<b>\$</b> 933, <b>94</b> 3	\$1,486,952	\$1,462,184	\$3,142,222	\$3,206,673	\$3,247,539	\$3,262,809	\$3,044,165	\$3,052,479	\$2,664,962	\$2,599,443

17	Sewer: Percent Contributed	58%	60%	63%	42%	48%	53%	58%	63%	48%	50%	52%
18		\$14,298,201	\$14,966,219	\$15,421,859	\$24,335,169	\$25,444,428	\$26,602,407	\$27,813,493	\$29,082,464	\$39,139,530	\$39,707,443	\$40,263,976
19	Include Construction Work in Progress?	0	0	0	0	0	0	0,5.15,456	0.0,002,101	000,100,000	0.00,101,440	0
20		(3,204,815)	(3,731,002)	(4,272,330)	(4,994,098)	(5,897,795)	(6.839.986)	(7,822,546)	(8,847,405)	(10,080,212)	(11,393,221)	(12,724,045)
21	Utility Plant In Service less Accum Depr.	\$11,093,386	\$11,235,217	\$11,149,529	\$19,341,072	\$19,546,633	\$19,762,421	\$19,990,947	\$20,235,059	\$29,059,318	\$28,314,221	\$27,539,931
22	Less: Accumulated CIAC	(8,602,767)	(9,181,551)	(9,812,426)	(11,286,405)	(12,822,273)	(14,425,600)	(16, 102, 458)	(17,859,462)	(19,703,828)	(20,490,155)	(21,260,725)
23	* *************************************	2,198,385	2,479,825	2,782,295	3,133,898	3,536,696	3,992,938	4,505,075	5.075,780	5,707,963	6,366,357	7,050,437
24	Net Utility Plant In Service	\$4,689,004	\$4,533,491	\$4,119,399	\$11,188,564	\$10,261,055	\$9,329,759	\$8,393,565	\$7,451,376	\$15,063,452	\$14,190,424	\$13,329,643
25	Plus or Minus:							, ,				*
26	Acquisition Adjustments	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854	\$243,854
27	Accumulated Amort of Acq Adjustments	(103,015)	(109,112)	(115,209)	(121,306)	(127,403)	(133,499)	(139,596)	(145,693)	(151,790)	(157,887)	(163,984)
28	Working Capital Allowance 12.50% of O&M	149,389	186,557	193,875	206,134	217,909	229,379	240,667	251,866	263,047	269,942	276,830
29	Other	0	0	0	0	. 0	Ó	. 0	. 0	0	Ö	0
30	Net Utility Plant in Service	\$4,979,232	\$4,854,791	\$4,441,919	\$11,517,246	\$10,595,416	\$9,869,493	\$8,738,489	\$7,801,402	\$15,418,563	\$14,546,332	\$13,686,343
31												• • • • • • • • • • • • • • • • • • • •
32	U&U Percentage	100.00%	100.00%	100.00%	89.83%	98.58%	100.00%	100.00%	100.00%	84.05%	79.07%	83.72%
33	Rate Base	\$4,979,232	\$4,854,791	\$4,441,919	\$10,345,802	\$10,444,759	\$9,669,493	\$8,738,489	\$7,801,402	\$12,959,789	\$11,502,170	\$11,458,008

SOURCE: BURTON & ASSOCIATES C:\DATA\123\\CUADRAFT\FAMS0207.WK4



Figure 10

# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM UTILITY PLANT IN SERVICE - WATER & SEWER

### Water

		Estimated Original													
		Cost	In Svc Date	<u>1996</u>	1999	2000	2001	2002	2003	<u>2004</u>	2005	2006	2007	2006	2009
	New Assets per CIP:														
1	Water Plant- East Svc Area	\$1,500,000				\$1,500,000									
2	12" PVC Water Main	405,000						\$405,000							
3	16" PVC Water Main	608,000						608,000							
4	750 GPM Supply Wells	150,000						150,000							
5	12" PVC Well Header	90,000						90,000							
6	1.5 MG Reservoir w/ Aerator	500,000						500,000							
7	Pumping Station #1 Complete	1,400,000						1,400,000							
8	Engineering & Contingency	813,250	2002					813,250							
9	2.0 MG Reservoir w. Aerator	700,000	2006									\$700,000			
10	Expand Pump Station #1	600,000	2006									600,000			
11	750 GPM Supply Wells	150,000	2006									150,000			
12	12" PVC Well Header	60,000	2006									60,000			
13	16" PVC Well Header	38,000	2006									38,000			
14	Engineering & Contingency	387,000	2006									387,000			
15	Land	100,000	2000			\$100,000						551,555			
16	Total Utility Plant in Service (not include	ng CIAC)		\$6,462,609	\$6,482,609	\$8,062,609	\$8,062,609	\$12,028,859	\$12,028,859	\$12,028,859	\$12,028,859	\$13,983,859	\$13,963,859	\$13,963,859	\$13,963,859
	New Plant Assets per CIAC:														
17	New Plant Assets (CIAC)				\$0	\$155,344	\$169,325	\$395,613	\$412,224	\$430,329	\$450,065	\$471,576	\$495,024	\$211,048	\$206,819
18	Total New Plant Assets (CIAC)			\$0	\$0	\$155,344	\$324,670	\$720,282	\$1,132,506	\$1,562,835	\$2,012,900	\$2,484,476	\$2,979,500	\$3,190,548	\$3,397,387
	, , , , , , , , , , , , , , , , , , , ,			•	•••	J.50,011	4524,070	7.20,202	J., 132,500	4.,502,000	42,012,400	92,737,770	ez,e/e,500	<b>#3,180,346</b>	43,367,307
19 <i>T</i>	otal Water Utility Plant in Service			\$6,462,609	\$6,462,609	\$8,217,953	\$8,387,279	\$12,749,141	\$13,161,365	\$13,591,694	\$14,041,759	\$16,448,335	\$16,943,359	\$17,154,407	\$17,361,226

#### Sewer:

		Estimated Original Cost In :	Svc Date	1990	1999	2000	2001	2002	2003	2004	2005	2006	2007	2006	2009
	New Assets per CIP:						MALL.	BIIA	EVAL	FAAT	****	BXXX	EAA1	ANNX	TANA
20	WWTP Improvement East Svc Area	\$3,343,962	1999		\$3,343,962										
21	Lift Station (Marsh Harbour)	70,000	2002					\$70,000							
22	Lift Station (Walden Chase)	115,000	2002					115000							
23	6" PVC Force Main	283,500	2002					283500							
24	8" PVC Force Main	310,500	2002					310500							
25	1.0 MGD WWTP	5,000,000	2002					5000000							
26	12" PVC Outfall	450,000	2002					450000							
27	Engineering & Contingency	1,619,750	2002					1619750							
28	1.5 MGD WWTP Expension	6,750,000	2007										\$6,750,000		
29	Lift Station Nocatee	115,000	2007										115,000		
30	8" PVC Force Main	115,000	2007										115,000		
31	Engineering & Contingency	1,745,000	2007										1,745,000		
32	Land	250,000	2000			\$250,000							1,1 10,000		
33	Total Utility Plant in Service (not includi	ng CIAC)		\$10,954,239	\$14,298,201	\$14,548,201	\$14,548,201	\$22,396,951	\$22,396,951	\$22,398,951	\$22,396,951	\$22,398,951	\$31,121,951	\$31,121,951	\$31,121,951
	New Plant Assets per CIAC:														
34	New Plant Assets (CIAC)				\$0	\$418,018	\$455,640	\$1,064,560	\$1,109,258	\$1,157,980	\$1,211,086	\$1,268,971	\$1,332,086	\$567,913	\$556,533
35	Total New Plant Assets (CIAC)			\$0	\$0	\$418,018	\$873,658	\$1,938,218	\$3,047,477	\$4,205,456	\$5,416,542	\$5,585,513	\$8,017,579	\$8,585,492	\$9,142,025
36 To	otal Sewer Utility Plant in Service			\$10,954,239	\$14,298,201	\$14,966,219	\$15,421,859	\$24,335,169	\$25,444,428	\$26,602,407	\$27,813,493	\$29,082,484	\$39,139,530	\$39,707,443	\$40,263,976

SOURCE: BURTON & ASSOCIATES

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## INTERCOASTAL UTILITIES WATER & SEWER SYSTEM CAPITAL IMPROVEMENTS PROGRAM

### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

								HCREASE											
		AMOUNT		IN SOF	MONTHS			196											
		DEST		AICE	TO COM-	% DOST		CAPACITY	4000	****	***			***	***				***
	PROJECT TOTAL	FUNDED	PROJECT HAME	DATE	STRUCT	PUNDED	LIFE	(MED)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
4	<b>Vater</b>																		
1	\$1,500,000		er Plant- East Svc Area	2000			26	1.93		1,500,000									
2	405,000		PVC Water Main	2002	24	100%	45				,	405,000							
3	608,000		PVC Water Main	2002	24	100%	45					608,000		.,					
4	150,000		GPM Supply Wells	2002	24	100%	30			·///··································		150,000							
6	90,000		PVC Weil Header	2002	24	100%	45					90,000							
•	500,000		MG Reservoir w/ Aerator	2002	24	100%	40	2.00				500,000			***************************************	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
7	1,400,000		ping Station #1 Complete	2002	24	100%	25	<b></b>	,	***************************************		1,400,000	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,						
	813,250	813,250 Engi	neering & Contingency	2002	24	100%	30					813,250							
•	700,000		MG Reservoir w. Aerator	2006	24	100%	40	3.00			***************************************					700,000	7		
10	600,000		and Pump Station #1	2006	24	100%	20	***************************************						******************************		600,000	5		
11	150,000		GPM Supply Wells	2006	24	100%	30			····	***************************************	***************************************			***************************************	150,000	<b>)</b>	v	
12	60,000		PVC Well Header	2006	24	100%	45							**************************************		60,000			
13	38,000	38,000 16"	PVC Well Header	2006	24	100%	45				···········					38,000	)		
14	367,000	387,000 Engl	neering & Contingency	2006	24	100%	30							······································		387,000	)	······································	
15	100,000	100,000 Land	1	2000	**************	100%				100,000									
16																			
17	\$7,501,250	\$7,501,250							\$0	\$1,600,000	\$0	\$3,966,250	\$0	\$0	\$0	\$1,935,000	\$(	30	\$0

	SEWERI																
18	\$3,343,962	\$3,343,962 WWTP Improvement East Svc Are	1999	12	100%	22	0.70	3,343,962									
19	70,000	70,000 Lift Station (Marsh Harbour)	2002		100%	21					70,000						
20	115,000	115,000 Lift Station (Walden Chase)	2002		100%	21				***************************************	115,000						
21	283,500	283,500 6" PVC Force Main	2002		100%	30					283,500						
22	310,500	310,500 8" PVC Force Main	2002	24	100%	30					310,500						
23	5,000,000	5,000,000 1.0 MGD WWTP	2002	24	100%	26	1.00				5,000,000						
24	450,000	450,000 12" PVC Outfall	2002		100%	30					450,000						
25	1,619,750	1,619,750 Engineering & Contingency	2002		100%	30					1,619,750						
28	6,750,000	6,750,000 1.5 MGD WWTP Expansion	2007		100%	26	1.50								6,750,000		***************************************
27	115,000	115,000 Lift Station Nocatee	2007		100%	21							•		115,000		
28	115,000	115,000 8" PVC Force Main	2007		100%	30									115,000		
29	1,745,000	1,745,000 Engineering & Contingency	2007	24	100%	30									1,745,000		
30	250,000	250,000 Land	2000		100%				250,000								habarrolle
*	\$20,167,712	520 187 712						<b>47 747 087</b>	\$250,000	\$0	\$7,848,750	50	\$0	50	30 \$8,725,000	30	\$0
31	440,101,111	420,107,712						4010-01202	4230,000	+0	41,040,100		**	•••	40 40,,	•••	

#### TOTAL WATER & SEWER

2 \$27,668,962 \$27,668,982 TOTAL WATER AND SEWER	\$3,343,982 \$1,850,000	\$0 \$11,815,000	\$0	\$0	\$0 \$1,935,000 \$8,725,000	\$0	\$0

SOURCE: BURTON & ABSOCIATES / PRS&J



# INTERCOASTAL UTILITIES WATER & SEWER SYSTEM USED AND USEFUL

## Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

		<u>1999</u>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1	Water									****	<b>A</b>	2000
2	Capacity											
3	Capacity in ERC's	5,057	5,057	10,571	10,571	16,286	16,286	16,286	16,286	24,857	24,857	24,857
4	Additional Capacity in ERC's	0	5,514	0	5,714	0	0	0	8,571	21,557	0	24,007
5	Total Capacity	5,057	10,571	10,571	16,286	16,286	16,286	16,286	24,857	24,857	24,857	24,857
6	Connection / Growth											
7	Connections in ERC's	5,506	5,506	5,763	6.043	6,698	7,380	8,093	8.838	9,618	10,438	10,787
8	Annual Growth Percent	0.00%	4.67%	4.86%	10.84%	10.19%	9.65%	9.21%	8.83%	8.52%	3.35%	3.17%
9	Additional Units	0	257	280	655	682	712	745	781	819	349	342
10	Total Connections	5,506	5,763	6,043	6,698	7,380	8,093	8,838	9,618	10,438	10,787	11,129
11	Raw U & U Percent	108.87%	54.51%	57.16%	41.13%	45.32%	49.69%	54.27%	38.69%	41.99%	43,40%	44 770/
12	PLUS: Margin Reserve @ 36 Mos.	0	771	841	1,965	2.047	2.137	2,235	2,342	2.458	1.048	44.77%
13	Total Connections plus Margin Reserve	5,506	6,534	6,884	8,663	9,427	10,230	11,073	11,960	12,896	11,835	1,027 12,156
14	U & U Percent	100.00%	61.81%	65.12%	53.19%	57.89%	62.81%	67.99%	48.12%	51.88%	47.61%	48.91%
15	SEWER:											
16	Capacity											
17	Capacity in ERC's	2,857	5,357	E 257	6 057	0.000						
18	Additional Capacity in ERC's	2,500	5,35 <i>1</i> 0	5,357 0	5,357	8,929	8,929	8,929	8,929	8,929	14,286	14,286
19	Total Capacity	5,357	5,357	5,357	3,571 8,929	0 000	0	0	0	5,357	0	0
20	· ····································	3,337	5,551	5,357	0,929	8,929	8,929	8,929	8,929	14,286	14,286	14,286
21	Connection / Growth											
22	Connections in ERC's	2.857	2,857	3.114	3,395	4.049	4,732	5,444	6,189	6,970	7 700	0.400
23	Annual Growth Percent	0.00%	9.00%	9.00%	19.29%	16.85%	15.05%	13.68%	12.61%	11.76%	7,789 4,49%	8,138
24	Additional Units - Eastern Service Area	0	257	280	306	333	363	396	431	470	4.4970	4.21%
25	Additional Units - Western Service Area	Ō	0	-0	699	699	699	699	699	699	699	685
26	Additional Units - Total	0	257	280	655	682	712	745	781	819	349	342
27	Imputed ERC's from 1998 Rate Case	· · · · · · · · · · · · · · · · · · ·						770	701	013	343	342
28	Eastern Service Area Only	5,357	5,357	5.357	5,357	5,357	5,357	5,357	5,357	5,357	5,357	5,357
29	Total Connections	5,357	5,357	5,357	6,056	6,755	7,453	8,152	8,851	9,549	10,248	10,933
30		·	•	-,	-,,	0,,,,,	.,	0,102	0,001	3,043	10,240	10,933
31	Raw U & U Percent	100.00%	100.00%	100.00%	67.83%	75.65%	83.48%	91.30%	99.13%	66.85%	71.74%	76.53%
32	PLUS: Margin Reserve @ 36 Mos.	Ó	771	841	1,965	2,047	2,137	2,235	2,342	2,458	1.048	1.027
33	Total Connections plus Margin Reserve	5,357	5,357	5,357	8,020	8,802	8,929	8,929	8,929	12,008	11,296	11,960
34	U & U Percent	100.00%	100.00%	100.00%	89.83%	98.58%	100.00%	100.00%	100.00%	84.05%	79.07%	83.72%

**SOURCE: BURTON & ASSOCIATES** 

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#### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

						_	FY1999					FY 2000				
			Orig Loan				Beginning				Cost of Capital	Beginning				Cost of Capital
	Lender		Amount	Orig Loan Date	Term	Interest Rate	Balance	Principal	Interest	Balance	Calc	Balance	Principal	Interest	Balance	Calc
1	First Union Bank					7.27%	\$3,835,445	\$0	\$240,454	\$3,835,445	\$278,837	\$3,835,445	\$92,264	\$323,827	\$3,743,182	\$272,129
2	Plantation Developers - WTP		\$663,486	01/01/95	20	7.04%	586,864	19,385	46,914	567,479	45,058	567,479	20,843	45,456	546,636	43,403
3	Plantation Developers- Unit 9		94,651	12/23/94	20	7.94%	94,650	0	7,443	94,650	7,515	94,650	2,015	7,443	92,635	7,355
4	Crossroads Land Ltd- Seaside Ut 2		109,535	12/23/94	20	7.94%	100,002	2,857	7,989	97,145	7,713	97,145	3,179	7,766	93,966	7,461
5	Crossroads Land Ltd- Sesside Ut 3		128,650	03/28/95	20	7.66%	121,143	3,257	9,331	117,886	9,030	117,886	3,493	9,095	114,393	8.762
6	TAW Nursery, Inc.		112,847	12/23/94	20	7.94%	110,651	2,450	8,826	108,201	8,591	108,201	2,635	8,641	105,566	8,382
7	BAT of Palm Valley - Tom West		40,147	06/30/95	20	7.07%	38,007	1,053	2,702	36,954	2.613	36,954	1,123	2,632	35,831	2,533
8	Odoms Mil Ltd.		326,832	09/25/95	20	7.00%	324,938	4,469	22,733	320,469	22,433	320,469	8,051	22,356	312,417	21,869
9	Marsh Dunes		96,517	04/09/96	20	6.33%	96,517	0	6,110	96,517	6,110	96,517	0	6,110	96,517	6,110
10	Arvida- Sawmill Lakes (Offsite #1)		50,000	09/12/96	20	6.81%	50,000	Ó	3,405	50,000	3,405	50,000	0	3,405	50,000	3,405
11	Arvida- Sawmill Lakes (Offsite #2)		50,000	02/17/97	20	6.58%	50,000	Ö	3,289	50,000	3,290	50,000	0	3,289	50,000	3,290
12	Arvida- Sawmill Lakes Ut 1		464,918	06/19/97	20	6.89%	450,792	11,661	31,225	439,131	30,256	439,131	12,419	30,467	426,712	29,400
13	Arvida- Sawmill Lakes Ut 2		190,030	09/08/97	20	6.77%	185,785	4,722	12,644	181,063	12,258	181,063	5,024	12,342	176,039	11,918
14	Equity		0			10.00%	0	0	0	. 0	0	0	0	0	0	0
15	New Debt- In Service:								_		-					
16		1999	0		20	6.50%	0	0	0	0	o	0	0	0	0	o
17		2000	1,877,750		20		Ō	0	ō	Ö	0	1,877,750	48,364	122,054	1,829,386	118,910
18		2001	0		20		Ō	Ŏ	ō	Ō	0	0	0	0	0	0
19		2002	11,992,225		20	6.50%	0	0	0	0	0	0	0	0	0	0
20		2003	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
21		2004	0		20	8.50%	0	0	0	0	0	0	0	0	0	0
22		2005	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
23		2006	1,964,025		20	6.50%	0	0	0	0	0	0	0	0	0	0
24		2007	8,855,875		20	6.50%	0	0	0	0	0	0	0	0	0	0
25		2008	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
26		2009	0		20	8.50%	0	0	0	0	0	0	0	0	0	0
27																
28	New Debt- Construction Work in Pro	ogress:			20	7.50%			0	0	o	0		0	0	0
29	Include CWIP in WACC?	NO														1
30	New Equity		0			10.00%				0	0	,			0	Oj
31							\$6,044,794	\$49,855	\$403,065	\$5,994,940	\$437,108		\$199,411	\$604,884	\$7,873,279	\$544,928
32	Weighted Average Cost of	Capital									7.29%					7.10%

SOURCE: BURTON & ASSOCIATES C:DATA(123)(CUDRAFT)FAMS0207,WK4

#### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

							FY20	001			FY 2002				
	Lender	Orig Loan Amount	Orig Loan Date	Term	Interest Rate	Beginning Batance	Principal	Interest	Balance	Cost of Capital	Beginning Salance	Principal	Interest	Balance	Cost of Capital
1	First Union Bank				7.27%	\$3,743,182	\$103,552	\$320,849	\$3,639,630	\$264,601	\$3,639,630	\$114,201	\$310,199	\$3,525,429	\$258,299
2	Plantation Developers - WTP	\$663,486		20		546,636	22,580	43,739	524,076	41,612	524,076	24,418	41,881	499,659	39,673
3	Plantation Developers- Unit 9	94,651		20	7.94%	92,635	2,181	7,277	90,454	7,182	90,454	2,361	7,097	88.094	6,995
4	Crossroads Land Ltd- Seaside Ut 2	109,535		20		93,966	3,441	7,504	90,525	7,188	90.525	3,724	7,221	86,801	6,892
5	Crossroads Land Ltd- Sesside Ut 3	128,650		20		114,393	3,770	8,818	110,622	8,474	110.622	4,070	8,519	106,553	8,162
6	TAW Nursery, Inc.	112,847	12/23/94	20	7.94%	105,566	2,852	8,425	102,714	8,155	102,714	3,087	8,190	99,627	7,910
7	BAT of Palm Valley - Tom West	40,147	06/30/95	20	7.07%	35,831	1,205	2,550	34,626	2,448	34,626	1,293	2.462	33,332	2,357
8	Odoms Mili Ltd.	326,832	09/25/95	20	7.00%	312,417	8,633	21,774	303,784	21,265	303,784	9.258	21,150	294,528	20,617
9	Marsh Dunes	96,517	04/09/96	20	6.33%	96,517	2,481	6,038	94,036	5.952	94,036	2,543	5,877	91,393	5,785
10	Arvide- Sewmill Lakes (Offsite #1)	50,000	09/12/96	20	6.81%	50,000	1,216	3,368	48,784	3,322	48,784	1,302	3,282	47,482	3,234
11	Arvida- Sawmill Lakes (Offsite #2)	50,000	02/17/97	20	6.58%	50,000	1,249	3,253	48,751	3,208	48,751	1,334	3,168	47,417	3,120
	Arvida- Sawmill Lakes Ut 1	464,918	06/19/97	20	6.89%	426,712	13,302	29,584	413,410	28,484	413,410	14,248	28.638	399,161	27,502
	Arvida- Sawmill Lakes Ut 2	190,030	09/08/97	20	6.77%	176,039	5,375	11,991	170,664	11,554	170,664	5,750	11,616	164,914	11,165
	Equity	. 0			10.00%	0	0,0.0	0	0	,55,	170,007	5,750	11,010	104,514	11,100
15	New Debt- In Service:					_	•	•	•	٦	·	•	J	v	٩
16	1999	0		20	6.50%	O.	0	0	0	اه	n	0	0	0	اه
17	2000	1,877,750		20		1,829,386	51,508	118,910	1,777,878	115,562	1,777,878	54,856	115,562	1,723,022	111,996
18	2001	0		20		0	0	0	.,,	0	1,111,010	01,000	110,002	1,725,522	,
19		11,992,225		20		ō	ŏ	ō	ŏ	ŏl	11,992,225	308,876	779,495	11,683,349	759.418
20	2003	. 0		20	6.50%	Ō	Ö	ō	ŏ	ň	0.,002,220	0.0,000	770,400	0 000,000	750,410
21	2004	0		20		ō	Ď	ŏ	ŏ	ŏl	ŏ	ň	ň	ň	ŏ
22	2005	0		20		Õ	Ŏ	ō	ŏ	ŏ	ň	ň	ŏ	ň	
23	2006	1,964,025		20		ŏ	ŏ	ŏ	ŏ	ŏ	ň	ň	ň	ň	ŏ
24	2007	8,855,875		20		ŏ	ō	ŏ	ŏ	ň	ő	ň	ň	ň	č
25	2008	0		20		ŏ	ŏ	ŏ	ň	ŏ	ň	ŏ	ň	ŏ	ŏ
26	2009	ŏ		20		ŏ	ō	ñ	ň	ŭ	ň	ň	ŏ	ŏ	ŏ
27		•			0.00%	•	•	•	•	٧	v	v	u	v	١
28				20	7.50%			0	0	0			0	0	o
30															
30	New Equity	0			10.00%		****		0	0				0	0
31	Marie Control of Contr						\$223,325	\$594,080	\$7,449,953	\$529,007		\$551,420	\$1,354,356	\$18,890,758	\$1,271,124
32	Weighted Average Cost of Capital									7.10%					6.73%

SOURCE: BURTON & ASSOCIATES C:DATA\123\CUDRAFT\FAMS0207.WK4

02/07/2000

#### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

					_		FY20	03				FY 20	104		
		Orig Loan				Beginning				Cost of Capital	Beginning				Cost of Capital
	Lender	Amount	Orig Loan Date	Term	Interest Rate	Balance	Principal	Interest	Balance	Calc	Balance	Principal	Interest	Balance	Calc
•	First Union Bank	/ Timoura	Original Date	7 401111	7.27%	\$3,525,429	\$122,774	\$301,263	\$3,402,655	\$247,373	\$3,402,655	\$138,939	\$289,580	\$3,263,718	\$237,272
2	Plantation Developers - WTP	\$663,486	01/01/95	20		499,659	26,429	39,870	473,230	37,574	473,230	28,605	37,694	444,625	35,303
3	Plantation Developers- Unit 9	94,651	12/23/94	20		88,094	2,555	6,903	85,539	6,792	85,539	2,765	6,693	82,774	6,572
4	Crossroads Land Ltd- Sesside Ut 2	109,535	12/23/94	20		86,801	4,031	6,914	82,770	8,572	82,770	4,363	6,582	78,406	6,225
5	Croseroads Land Ltd- Seaside Ut 3	128,650	03/28/95	20		106,553	4,392	8,196	102,160	7,825	102,160	4,741	7,847	97,419	7,462
Ă	TAW Nursery, Inc.	112,847	12/23/94	20		99.627	3,341	7,935	96,287	7,645	96,287	3,616	7,660	92,671	7,358
7	BAT of Palm Valley - Tom West	40,147	06/30/95	20		33,332	1,388	2,368	31,944	2,258	31,944	1,489	2,266	30,455	2,153
À	Odoms Mill Ltd.	326,832	09/25/95	20		294,526	9,927	20,480	284,600	19,922	284,600	10,644	19,763	273,955	19,177
9	Marsh Dunes	96,517	04/09/96	20		91,393	2,815	5,704	88,577	5,607	88,577	2,999	5,521	85,578	5,417
10	Arvida- Sawmill Lakes (Offsite #1)	50,000		20		47,482	1,393	3,191	46,089	3,139	46,089	1,491	3,093	44,598	3,037
	Arvida- Sawmill Lakes (Offsite #2)	50,000	02/17/97	20		47,417	1,424	3,078	45,993	3,026	45,993	1,521	2,981	44,472	2,926
	Arvida- Sawmill Lakes Ut 1	464,918		20		399,161	15,262	27,625	383,900	26,451	383,900	16,347	26,539	367,553	25,324
13	Arvida- Sawmill Lakes Ut 2	190,030		20	6.77%	164,914	6,152	11,214	158,762	10,748	158,762	6,581	10,785	152,180	10,303
14	Equity	0			10.00%	. 0	. 0	0	Ö	o	0	0	0	0	0
	New Debt- In Service:														
16	1999	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
17	2000	1,877,750	1	20	6.50%	1,723,022	58,421	111,996	1,684,601	108,199	1,864,601	62,219	108,199	1,602,382	104,155
18	2001	0	<b>+</b>	20		0	0	0	0	이	0	0	0	0	0
19	2002	11,992,225		20		11,683,349	328,953	759,418	11,354,395	738,036	11,354,395	350,335	738,036	11,004,060	715,264
20	2003		1	20		0	0	0	0	0	0	0	0	0	0
21	2004	C	1	20		0	0	0	0	0	0	0	0	0	0
22	2005	C	1	20		0	0	0	0	O	0	0	0	0	9
23	2006	1,964,025		20		0	0	0	0	ol	0	0	0	0	9
24	2007	8,855,875	i	20		0	0	0	0	0	. 0	0	0	0	2
25	2008	C	l	20		0	0	0	0	이	0	0	0	0	2
26	2009		1	20	6.50%	0	0	0	0	이	0	0	0	0	٥
27									_						
28				20	7.50%			0	0	0			0	0	0
	Include CWIP in WACC? NO													^	
	New Equity	(			10.00%			B1 818 1P*	0	0		\$636,656	\$1,273,219	\$17,664,845	\$1,187,950
31							\$589,257	\$1,316,155	\$18,301,502			\$030,030	31,2/3,218	+17,004,843	
32	Weighted Average Cost of Capital									6.73%					6.72%

SOURCE: BURTON & ASSOCIATES C:\Data\123\ICUDRAFTFAMS0207.WK4

02/07/2000

#### Scenario 2 - Intercoestal Utility's Water and Sewer Rates with One Half Growth

							FY2	005			FY 2006				
	Lender	Orig Loen Amount	Orig Loan Date	Term	Interest Rate	Beginning Balance	Principal	interest	Balance	Cost of Capital	Beginning Balance	Principal	Interest	Balance	Cost of Capital
1	First Union Bank				7.27%	\$3,263,718	\$149,383	\$279,115	\$3,114,333	\$226,412	\$3,114,333	\$160,613	\$267,886	\$2,953,720	\$214,735
2	Plantation Developers - WTP	\$663,486	01/01/95	20	7.94%	444,625	30,961	35,338	413,664	32,845	413,664	33,511	32,788	380,153	30,184
3	Plantation Developers- Unit 9	94,651	12/23/94	20	7.94%	82,774	2,993	6,465	79,781	6,335	79,781	3,240	6,218	76,541	6.077
4	Crossroads Land Ltd- Seaside Ut 2	109,535	12/23/94	20	7.94%	78,406	4,722	6,223	73,684	5,851	73,684	5,111	5.834	68,573	5.445
5	Crossroads Land Ltd- Seaside Ut 3	128,650	03/28/95	20	7.06%	97,419	5,117	7.471	92,302	7,070	92,302	5,523	7.065	88,779	6,647
6	TAW Nursery, Inc.	112,847	12/23/94	20	7.94%	92,671	3,914	7,363	88,757	7,047	88,757	4,236	7.040	84,521	6,711
7	BAT of Paim Valley - Tom West	40,147	06/30/95	20	7.07%	30,455	1,598	2,158	28,857	2,040	28,857	1.715	2.041	27,143	1,919
8	Odoms Mill Ltd.	326,832	09/25/95	20	7.00%	273,955	11,414	18,993	262,541	18,378	262,541	12,239	18,168	250,302	17,521
9	Marsh Dunes	96,517	04/09/96	20	6.33%	85.578	3,194	5,326	82,384	5,215	82,384	3,402	5,117	78,982	5,000
10	Arvida- Sawmill Lakes (Offsite #1)	50,000	09/12/96	20	6,81%	44,598	1,596	2,988	43,003	2,928	43,003	1,708	2,876	41,295	2,812
11	Arvida- Sawmill Lakes (Offsite #2)	50,000	02/17/97	20	6.58%	44,472	1,624	2,878	42,848	2,819	42,848	1.734	2,768	41,114	2,705
12	Arvida- Sawmili Lakes Ut 1	464,918	06/19/97	20	6.89%	367,553	17,510	25,377	350,043	24,118	350,043	18.755	24.132	331,288	22,826
13	Arvida- Sawmill Lakes Ut 2	190,030	09/08/97	20	6.77%	152,180	7,041	10,325	145,139	9,826	145,139	7.533	9.833	137,606	9,316
14	Equity				10.00%	0	0	0	,	اه	0	0	0	0	0
15	New Debt- in Service:					-	=	-	_	-1	-	-		•	1
16	1999	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
17	2000	1,877,750		20		1,602,382	66,263	104,155	1,536,119	99,848	1,536,119	70,570	99,848	1,465,549	95,261
18	2001			20			0	0	0	0	0	0	0	0	0
19	2002	11,992,225		20	6.50%	11,004,060	373,107	715,264	10,630,952	691,012	10,630,952	397,359	691,012	10,233,593	865,184
20	2003			20	6.50%		. 0	0	0	0	0	0	0	0	0
21	2004	0		20	6,50%	0	Ó	Ó	Ó	o	Ō	ō	Ó	ō	ō
22	2005	0		20	6.50%	0	Ó	Ó	Ó	ō	Ō	ō	Ó	Ō	ō
23	2008	1,964,025		20	6.50%	0	0	Ó	0	o	1,964,025	50,586	127,662	1,913,439	124,374
24	2007	8,855,875		20	6.50%	0	0	0	0	o		. 0	0		. 0
25	2008			20	6.50%	0	0	0	0	o	0	0	0	0	0
26	2009			20	6.50%	0	0	0	0	ol	Ó	0	0	0	0
27										_					
28				20	7.50%			0	0	0			0	0	0
29	Include CWIP in WACC? NO														
30		0			10.00%				0	0				0	0
31							\$680,437	\$1,229,438	\$16,984,408	\$1,141,744		\$777,835	\$1,310,288	\$18,170,599	\$1,216,717
32	Weighted Average Cost of Capital									8.72%					6.70%

SOURCE: BURTON & ASSOCIATES
C:DATA(123VCU/DRAFT)FAMS0207 WK4

02/07/2000

#### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

					_	FY2007					FY 2008				
	Lender	Orig Loen Amount	Orig Loan Date	Term	Interest Rate	Beginning Batance	Principal	Interest	Belance	Cost of Capital	Beginning Salance	Principal	interest	Balance	Cost of Capital
1	First Union Bank				7.27%	\$2,953,720	\$172,686	\$255,812	\$2,781,034	\$202,181	\$2,781,034	\$185,668	\$242,831	\$2,595,366	\$188,683
2	Plantation Developers - WTP	\$663,486	01/01/95	20		380,153	36,270	30,029	343,883	27,304	343,883	39,257	27,042	304,626	24,187
3	Plantation Developere- Unit 9	94,651	12/23/94	20		78,541	3,506	5,952	73,035	5,799	73,035	3,795	5,663	69,240	5,498
4	Crossroads Land Ltd- Seaside Ut 2	109,535		20	7.94%	68,573	5,532	5,413	63,040	5,005	63,040	5,988	4,957	57,053	4,530
5	Crossroads Land Ltd- Seaside Ut 3	128,650		20	7.66%	86,779	5,961	6,627	80,817	6,191	80,817	6,435	6,154	74,383	5,698
6	TAW Nursery, Inc.	112,847	12/23/94	20	7.94%	84,521	4,585	6,691	79,936	6,347	79,936	4,983	6,314	74,973	5,953
7	BAT of Paim Valley - Tom West	40,147	06/30/95	20	7.07%	27,143	1,840	1,916	25,303	1,789	25,303	1.974	1.781	23,329	1,649
8	Odome Mil Ltd.	326,832	09/25/95	20	7.00%	250,302	13,124	17,283	237,179	16,603	237,179	14,072	16,335	223,106	15,617
9	Marsh Dunes	96,517	04/09/96	20	6.33%	78,982	3.624	4,896	75,358	4,770	75,358	3,860	4,659	71,497	4,526
10	Arvida- Sawmill Lakes (Offsite #1)	50,000	09/12/96	20	6.81%	41,295	1.828	2,756	39,467	2,688	39,467	1,956	2,627	37,511	2,554
11	Arvida- Sawmill Lakes (Offsite #2)	50,000	02/17/97	20	6.58%	41,114	1,852	2,650	39,263	2,583	39,263	1,977	2,525	37,285	2,453
12	Arvida- Sawmit Lakes Ut 1	464,918	06/19/97	20	6.89%	331,288	20,089	22,798	311,200	21,442	311,200	21,517	21,369	289,683	19,959
13	Arvida- Sawmil Lakes Ut 2	190,030	09/08/97	20	6.77%	137,808	8,059	9,307	129,547	8,770	129,547	8,622	8.744	120,925	8,187
14	Equity	0			10.00%	. 0	. 0	. 0	. 0	ol.	. 0	Ó	. 0	0	0
15	New Debt- In Service:									- 1					-
16	1999	0		20	6.50%	0	0	0	0	ol	0	0	0	0	o
17	2000	1,877,750		20	6.50%	1,465,549	75,157	95,261	1,390,392	90,375	1,390,392	80,042	90,375	1,310,350	85,173
18	2001	0		20	6.50%	. 0	. 0	0	0	· ol	0	Ó	. 0	0	ol
19	2002	11,992,225		20	6.50%	10,233,593	423,188	665,184	9,810,406	637,676	9,810,406	450,695	637,676	9,359,711	608,381
20	2003	0		20	6.50%	. 0	0	0	0	0)	. 0	0	0		0
21	2004	Ó		20	6.50%	0	0	0	0	0	0	0	0	0	0
22	2005	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
23	2006	1,964,025		20	6.50%	1,913,439	53,874	124,374	1,859,564	120,872	1,859,564	57,376	120,872	1,802,188	117,142
24	2007	8,855,875		20	8.50%	8,855,875	228,095	575,632	8,627,780	500,806	8,627,780	242,922	560,806	8,384,858	545,016
25	2008	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
26	2009	0		20	8.50%	0	0	0	0	0	0	0	0	0	0
27															
28	New Debt- Construction Work in Progress:			20	7.50%			0	0	0			0	0	0
29	include CWIP in WACC? NO														
30	New Equity	0			10.00%				0	0				0	0
31							\$1,059,271	\$1,832,579	\$25,987,203	\$1,721,201		\$1,131,119	\$1,760,731	\$24,836,084	\$1,645,207
32	Weighted Average Cost of Capital									6.63%					6.62%

SOURCE: BURTON & ASSOCIATES C:DATA1123VCUDRAFTFAMS0207.WK4

#### Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth

					-		FY2	009		
Lender		Orig Loan Amount	Orig Loan Date	Term	Interest Rate	Beginning Balance	Principal	interest	Balance	Cost of Capita Calc
First Union Bank					7.27%	\$2,595,366	\$199,625	\$228,874	\$2,395,742	\$174,170
<ul> <li>Plantation Developers - W</li> </ul>		\$663,486		20		304,626	42,490	23,809	262,136	20,81
<ul> <li>Plantation Developers- Un</li> </ul>		94,651		20		69,240	4,108	5,350	65,132	5,17
Croseroads Land Ltd- Sea		109,535		20		57,053	6,481	4,464	50,572	4,01
Crossroads Land Ltd- Sea	reide Ut 3	128,650	03/28/95	20		74,383	6,945	5,643	67,438	5,16
TAW Nursery, Inc.		112,847	12/23/94	20	7.94%	74,973	5,371	5,905	69,602	5,52
BAT of Palm Valley - Tom 1	West	40,147	06/30/95	20	7.07%	23,329	2,118	1,637	21,211	1,50
Odoms Mill Ltd.		326,832	09/25/95	20	7.00%	223,106	15,090	15,317	208,017	14,56
Marsh Dunes		96,517	04/09/96	20	6,33%	71,497	4,112	4,408	67,385	4,26
Arvida- Sawmill Lakes (Off	fsite #1)	50,000	09/12/96	20	6.81%	37,511	2.094	2,490	35,417	2,41
1 Arvide- Sawmill Lakes (Off	faite #2)	50,000	02/17/97	20	6.58%	37,285	2,111	2.390	35,174	2,31
2 Arvida- Sawmill Lakes Ut 1	1 '	464,918	06/19/97	20	6.89%	289,683	23,048	19.839	266,635	18,37
3 Arvida- Sawmill Lakes Ut 2	2	190,030	09/08/97	20	6.77%	120,925	9,224	8,142	111,701	7,56
4 Equity			)		10.00%	. 0	0	Ó	0	
5 New Debt- In Service:						_	•	•	_	
8	1999	C	)	20	6.50%	٥	0	0	0	
7	2000	1,877,750	)	20		1,310,350	85,245	85,173	1,225,105	79,63
8	2001		)	20		0	0	0	0	
•	2002	11,992,225	3	20	6.50%	9,359,711	479,990	608,381	8,879,721	577.18
0	2003	(	)	20	6.50%	0	0	0	0	
1	2004		)	20	6.50%	ō	Ō	ō	ō	
2	2005		)	20		Ö	Ō	ō	ō	
3	2006	1,964,025	}	20		1,802,188	61,106	117,142	1.741.083	113,17
4	2007	8,855,875		20		8,384,858	258,712	545,018	8,126,146	528,20
5	2008	-,,	, )	20		0	0	0.0,0.0	0,120,110	,-
6	2009	i	i i	20		ŏ	ŏ	ň	ñ	
7	2000				0.0070	-	•	•	•	
8 New Debt- Construction V	Vork in Progress:			20	7.50%			0	0	
Include CWIP in WACC?	NO	1			7.0070			•		
O New Equity	<u> </u>	,	)		10.00%				0	
	<del></del>		·		.0.0070		\$1,207,888	\$1,683,981	\$23,628,215	\$1,564.03
Weighted Average (	Cost of Capital						, ,	.,	,,	6.62

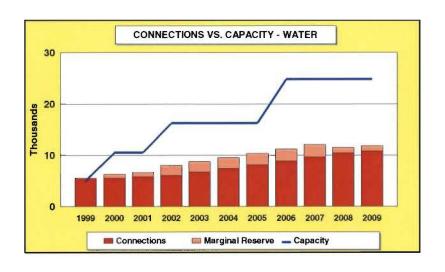
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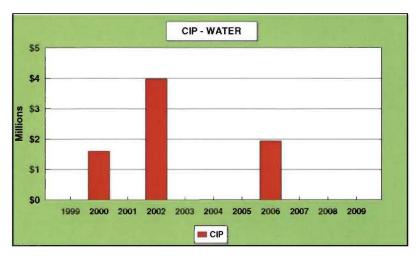
SOURCE: BURTON & ASSOCIATES C:OATA\123\CUORAFT\FAMS0207.WK4

02/07/2000

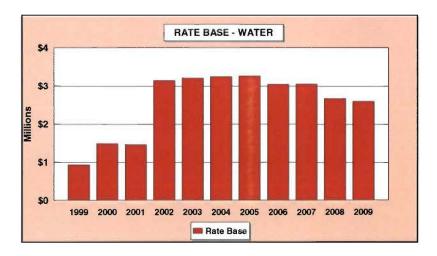
# INTERCOASTAL UTILITIES WATER SYSTEM GRAPHS OF KEY INDICATORS

Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth



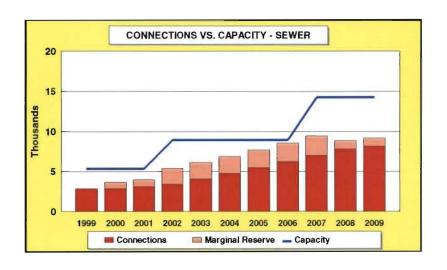


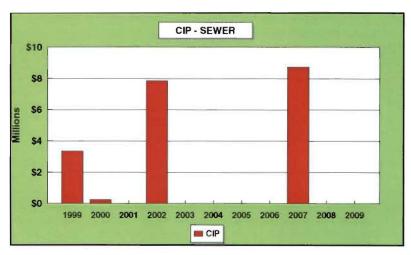


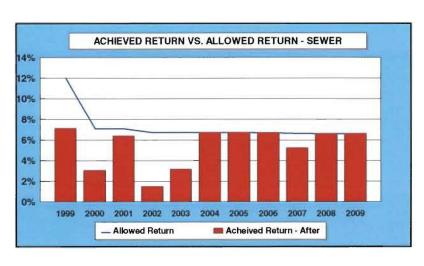


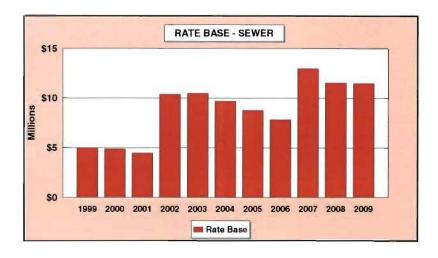
# INTERCOASTAL UTILITIES SEWER SYSTEM GRAPHS OF KEY INDICATORS

Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth









### INTERCOASTAL UTILITIES WATER AND SEWER SYSTEM GRAPHS OF KEY INDICATORS

Scenario 2 - Intercoastal Utility's Water and Sewer Rates with One Half Growth



Appendix 3

INTERCOASTAL UTILITIES

BURTON & ASSOCIATES

## Scenario 3

## Reclaimed Water Rates

This scenario determines the reclaimed water rates of Intercoastal Utilities implementing Intercoastal's plan to meet the reclaimed water demands of the projected growth in the area for which Intercoastal's service area extension application is filed.

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# INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM SUMMARY

## Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

1	Reclaimed Water	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
2	Rate Plan					-39.1%	-28.0%	-17.4%	-14.5%	10.5%	-7.8%	-8.5%
3	Achieved Return				6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
4	Allowed Return				6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
5	Avg Mo.Cost / ERU				\$28.56	\$17.39	\$12.52	\$10.34	\$8.83	\$9.76	\$9.00	\$8.23
6	Achieved Return (Millions)	(\$0.000)	\$0.006	\$0.006	\$0.121	\$0.107	\$0.095	\$0.089	\$0.076	\$0.127	\$0.114	\$0.101
7	Allowed Return (Millions)	\$0.000	\$0.007	\$0.007	\$0.121	\$0.107	\$0.095	\$0.089	\$0.076	\$0.127	\$0.114	\$0.101
8	Rate Base (Millions)	\$0.000	\$0.100	\$0.100	<u>\$1.85</u> 5	\$1.652	\$1.454	\$1.362	\$1.176	\$1.956	\$1.753	<b>\$</b> 1.559

SOURCE: BURTON & ASSOCIATES C:\DATA\123\ICU\DRAFT\FAMS0207.WK4

02/08/2000



## **INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM ASSUMPTIONS**

## Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

	Accompations	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected 2008	Projected 2009
	Assumptions	<u>1998</u>	<u>1999</u>	2000	<u>2001</u>	2002	2003	2004	2005	2006	<u> 2007</u>	2000	AVV
	Reclaimed Water												
1	Capacity in ERC's	1	1	1	1	1	3,449	3,449	3,449	3,449	3,449	6,898	6,898
2	Additional Capacity in ERC's		0	0	0	3,448	0	0	0	0	3,448	0	0
3	Total Capacity	1	1	1	1	3,449	3,449	3,449	3,449	3,449	6,898	6,898	6,898
4	GPD = 1 ERC	290	290	290	290	290	290	290	290	290	290	290	290
5	Connected ERC's	1	1	1	1	1	700	1,398	2,097	2,796	3,495	4,193	4,892
6	Additional Connected ERC's												
7	Walden Chase		0	0	0	89	89	89	89	89	89	89	89
8	Marsh Harbour		0	0	0	14	14	14	14	14	14	14	0
9	Nocatee		0	0	0	596	596	596	596	596	596	596	596
10	East Svc Area		0	0	0	0	0	0	0	0	0	0	0
11	Total Additional Connected ERC's	0	0	0	0	699	699	699	699	699	699	699	685
12	Total Connected ERC's	1	1	1.	1	700	1,398	2,097	2,796	3,495	4,193		5,577
13	Percent Growth in Connected ERC's	0.00%	0.00%	0.00%	0.00%	69870.00%	99.86%	49.96%	33.32%	24.99%	19.99%	16.66%	14.00%
14	Percent of Growth Applied to Expenses	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
15	Effective Multiplier for Growth	0.00%	0.00%	0.00%	0.00%	17467.50%	24.96%	12.49%	8.33%	6.25%	5.00%	4.17%	3.50%
16	Inflationary Multiplier	1.50%	1,50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%_
17	Growth and Inflationary Multiplier	1.50%	1.50%	1.50%	1.50%	17469.00%	26.46%	13.99%	9.83%	7.75%	6.50%	5.67%	5.00%

New Debt Assumptions

20 Term 21 Issuance Costs 1.50% Interest Rate 6.50%

23	Q&M Reserves	Months	Percent of Annual O&M
24 25	Water Minimum Reserves Level	1.5	12.50%
26 27	Rates & Charges Current Service Availability Charge	\$234	

**SOURCE: BURTON & ASSOCIATES** C:\DATA\123\ICU\DRAFT\FAMS0207.WK4

## INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM POLEOPHA INCOME PROJECTIONS - RECLAIMED WATER

PRO-FORMA INCOME PROJECTIONS - RECLAIMED WATER SYSTEM

#### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Reclaimed Water	1999	2000	2001	2002	2003	2004	2005	2006	<u>2007</u>	2000	2009
Revenues:											
Rate Revenue:											
Rate Revenue					\$239,821	\$291,891	\$314,970	\$346,751	\$370,386	\$491,267	\$528,142
Growth Percentage					99.86%	49.96%	33.32%	24.99%	19.90%	16.66%	14.00%
Rate Revenue from Growth					239,478	145,841	104,940	86,657	74,056	81,858	73,922
Rate Revenue Prior to Rate Adjustment					\$479,300	\$437,732	\$419,910	\$433,407	\$444,442	\$573,125	\$802,084 -8.53%
Percentage Rate Increase					-39.10%	-28.04%	-17.42%	-14.54%	10.54% 46,824	-7.85% (44,983)	-5.5376 (51,351)
Rate Revenue from Rate Adjustment Total Rate Revenue				\$239.821	(187,409) \$291,891	(122,762) \$314,970	(73,160) \$346,751	(63,021) \$370,386	\$491,267	\$528,142	\$550,712
I OCAL CASE MANAGEMENT				\$239,821	\$291,091	3314,970	\$340,751	\$370,300	3481,207	4320,172	1000,712
Other Revenue:											
1 Misc. Revenue				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 Other Revenue				Ö	0	Ö	O	0	0	0	0
3 Total Other Revenue				50	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenues				\$239,821	\$291,891	\$314,970	\$348,751	\$370,386	\$491,267	\$528,142	\$550,712
5											
8 Expenses: 7											
B Operating Expenses				\$46,457	\$82,154	\$117,051	\$151,959	\$187,135	\$222,099	\$258,719	\$294,587
Rate Case Expense				NA	NA	NA	NA	NA.	NA.	NA.	NA
Franchise Fee- PSC				10,792	13,135	14,174	15,604	16,668	22,107	23,767	24,782
1 Depreciation (U & U Amt Only)				41,085	82,170	96,240	110,310	124,380	152,257	180,133	193,921
2 Amort of CIAC (U & U Amt Only) 3 Amort of Acq Adi				(19,530)	(39,060)	(58,591)	(78,121)	(97,651)	(117,181)	(136,712)	(155,850) D
3 Amort of Acq Adj 4 Total Expenses				\$78,804	<u>0</u> \$138,399	\$168,874	\$199,752	\$230,531	\$279,881	\$325,908	\$357,440
5 Operating Income	<del></del>	<del></del>		\$161,018	\$153,492	\$148,098	\$146,999	\$139,855	\$211,385	\$202,234	\$193,273
S Non-Consideration to the Consideration to the Con											
7 Non Operating Income (Expenses): 8 Non Oper Rev				**	••	••	••	\$0	\$0	\$0	\$0
9 Taxes Other Than Income:				\$0 0	\$0 0	\$0 0	\$0 0	90	•0	70	Ď
0 Intangible Tax				(272)	(311)	(347)	(394)	(427)	(587)	(595)	(619)
1 Other Taxes & Licenses				(38)	(43)	(48)	(55)	(59)	(79)	(82)	(86)
2 3 Property Taxes:				(40,132)	(45,772)	(51,179)	(58,012)	(62,953)	(83,609)	(87,624)	(91,270)
4 5 Total Non Operating Expenses				(\$40,442)	(\$48,126)	(\$51,575)	(\$58,461)	(\$63,439)	(\$84,255)	(\$88,301)	(\$91,975)
8 Net Income				\$120,576	\$107,368	394,521	\$88,538	\$76,416	\$127,130	\$113,933	\$101,297
7 Taxable Income (See worksheet for taxable Income below)				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 Income Taxes: 9 State 5.50%				0	0	0	0	0	0	0	0
0 Federal 34,00%				ŏ	ŏ	ŏ	ŏ	ŏ	ŏ	ŏ	ō
1 Total Income Taxes				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net After Tax Income				\$120,576	\$107,368	\$94,521	\$88,538	\$76,416	\$127,130	\$113,933	\$101,297
3 4 Rate Base 5				\$1,855,060	\$1,651,840	\$1,454,232	\$1,362,188	\$1,175,693	\$1,955,933	\$1,752,907	\$1,558,515
8 Rate of Return Achieved				6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6,50%	6.50%
7 Allowed Return				8,50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
8 Allowed Return Amount				\$120,579	\$107,370	\$94,525	\$88,542	\$76,420	\$127,136	\$113,939	\$101,303
9 Worksheet for Taxable Income:											
0 1 Interest Expense - Total				\$134,073	\$130,588	\$126,876	\$129.521	\$125,141	\$184,803	\$178,178	\$171,123
2 Allocation Percentage to Water (1)				100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
3 Alocated Interest Expense - Water 4				134,073	130,588	126,876	129,521	125,141	184,803	178,178	171,123
4 5 Restatement of Net Income Before Income Tax				\$120,576	\$107,366	\$94,521	\$88,538	\$76,416	\$127,130	\$113,933	\$101,297
6 LESS: Interest Expense - Water				134,073	130,588	126,876	129,521	125,141	184,803	178,178	171,123
7 Taxable Income - Water (2)				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<sup>(1)</sup> Allocation percentage based upon current water rate base as a percentage of total rate base.

<sup>(2)</sup> For simplicity, taxable income is calculated separately for water and westewater, however, the tax return would be filed on a consolidated basis. Furthermore, taxable income is not allowed to go negative in this model for water or westewater. Negative taxable income in either system could offset taxable income in the other system and a net negative taxable income would result in tax credits that could potentially be carried forward or back.

# INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM DEPRECIATION SCHEDULE - RECLAIMED WATER

### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

Reclaimed Water

Existing Asset Depreciation

	Existing Assets	Year	Estimated Original Cost	1 ife (Venre)
1	Franchises	1001	Oliginal Cost	
2	Structures	1982	-	
3	Wells & Springs	1985		
4	Other Pumping	1987		-
5	Pumping Equip	1990	-	-
6	Other Water Source Plant	1985		-
7	Structures & Improvements	1993		-
8	Treatment	1986	-	
9	Dist Reservoirs	1992		
10	Mains	1989		
11	Services	1991	•	
12	Meters	1992	•	•
13	Hydrants	1992		-
14	Other T&D	1986	-	-
15	Supply Mains	1991	-	-
16	General	1979		
17	Furniture	1994		
18	Power Equip		-	
19	Misc Equip	1992		
20	Acqueition	1983		
	Total Estimated Original Cost		-	
	Adjustment to 1998 Annual Report Utility Plant In Service			
23	Total Utility Plant In Service		-	

2007 2008 2009 2006 Depreciation Schedule - Existing Assets 1999 2000 2001 2002 2003 2004 2005 Franchises 24 25 Structures 26 27 Welfs & Springs Other Pumping 28 29 Pumping Equip Other Water Source Plant Structures & Improvements Treatment 32 33 Dist Reservoirs Mains Services 35 Meters Hydrants 37 Other T&D Supply Mains General 40 Furniture Power Equip Misc Equip Acquisition 44 Total Existing Depreciation 45 Adjustment to Reconcile to Accounting Records
46 Total Existing Depreciation

SOURCE; BURTON & ASSOCIATES C:\DATA\123\CU\DRAFT\FAMS0207.WK4



# INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM DEPRECIATION SCHEDULE - RECLAIMED WATER

## Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

#### Reciaimed Water

#### New Asset Depreciation

			Estimated	
	New Assets	Year	Original Cost	Life (Years)
1	12" PVC Reuse Main	2002	\$810,000	45
2	Reuse Transfer Pump Station	2002	250,000	25
3	3.0 MG Lined Effluent Storage Pond	2002	360,000	41
4	Supply Well	2002	110,000	30
5	Engineering & Contingency	2002	407,500	30
6	12" PVC Reuse Main	2007	300,000	45
7	Expand Reuse Transfer P.S.	2007	100,000	20
8	3.0 MG Lined Effluent Storage Pond	2007	360,000	41
9	Engineering & Contingency	2007	215,000	30
10	Land	2000	100,000	-
11	Land	2005	100,000	-

De	epreciation Schedule - New Assets	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
12	12" PVC Reuse Main		•	•	-	\$9,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000
13	Reuse Transfer Pump Station		-	•		5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
14	3.0 MG Lined Effluent Storage Pond					4,390	8,780	8,780	8,780	8,780	8,780	8,780	8,780
15	Supply Well		-			1.833	3,667	3,667	3,667	3,667	3,667	3,667	3,667
16	Engineering & Contingency		_	_		6,792	13,583	13,583	13,583	13,583	13,583	13,583	13,583
17	12" PVC Reuse Main			_	-	0,752	15,555	10,000	,0,000	.0,000	3,333	6,667	6,667
18	Expand Reuse Transfer P.S.		-	-	-	_	Ţ.,			_	2,500	5,000	5,000
			•	•	-	•	•		•	-	4,390	8,780	8,780
19	3.0 MG Lined Effluent Storage Pond		•	-	•	•	•	-	•		3,583	7,167	7,167
20	Engineering & Contingency		•	-	-	•	-	-	•	•	3,363	7,107	1,101
21	Land		•	•	•	-	-	-	-	•	-	-	-
22	Land		•	-	-	•	-	-	•		· · · •		440.077
47	CIAC Plant		•	-	•	14,070	28,140	42,210	56,280	70,349	84,419	98,489	112,277
48 To	tal New Depreciation		-	•	•	\$41,085	\$82,170	\$96,240	\$110,310	\$124,380	\$152,257	\$180,133	\$193,921
Is	ptal Depreciation - Recialmed Water												
	otal Existing Depreciation		-	-	-	-				<del>.</del>	-		402.024
50 To	otal New Depreciation		-	-	-	41,085	82,170	96,240	110,310	124,380	152,257	180,133	193,921
51 <b>T</b> c	otal Depreciation		•	•	•	\$41,085	\$82,170	\$96,240	\$110,310	\$124,380	\$152,257	\$180,133	\$193,921
52 Ac	ccumulated Depreciation	•	-	•	-	\$41,085	\$123,255	\$219,495	\$329,805	\$454,185	\$606,442	\$786,575	\$980,497

SOURCE: BURTON & ASSOCIATES C:\DATA\123\CU\DRAFT\FAMS0207.WK4

02/07/2000

## INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - RECLAIMED WATER

### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

### Reclaimed Water - Existing CIAC

### **Existing CIAC**

			Estimated	
	Existing CIAC- Plant	Year	Original Cost	Life (Years)
1	Other	1989	-	
2	Dist Reservoirs & Standpipes	1992	-	•
3	Transmission & Dist Mains	1988		
4	Services	1990	-	-
5	Meters & Meter Installs	1992	-	-
6	Hydrants	1990		-
7	Total Existing CIAC - Plant		-	

			Estimated	
	Existing CIAC - Cash	Year	Original Cost	Life (Years)
8	Cash	1991	•	-
9	Total Existing CIAC - Cash		-	
10	Total Existing CIAC		•	
11	Adjustment to 1998 Annual Report		-	
12	Total Eviation CIAC			

### Amortization of Existing CIAC

	Amortization Schedule - Existing Plant CIAC	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
13	Other	•	-	-	-	•	•	•	•	-	-	•
14	Dist Reservoirs & Standpipes	•	-	•	-	•	-	•	-	-	-	-
15	Transmission & Dist Mains	•	•	•	-	•	-	•	-	•	-	•
16	Services	-		•	-	•	•	•	•	-	•	-
17	Meters & Meter installs	-	•	•	-	•	-	•	•	-	-	-
18	Hydrants	•	•	•	-		-	-	*	-		
19	Total Plant Amortization	-	-	-	•	•	•	-	-	•	•	•

	Amortization Schedule - Existing Cash CIAC											
20	Cash	•	•	•	•	•	-	•	-	•		<u> </u>
21	Total Cash CIAC Amortization	•	•	-	•	-	•	•	•	•	•	-
	Total Existing CIAC Amortization	•	-	-	-	-	•	•	•	-	•	•

23 Adjustment to Reconcile to Accounting Records
24 Total Existing CIAC Amortization

SOURCE: BURTON & ASSOCIATES C:\DATA\123\ICU\DRAFT\FAMS0207.WK4

02/07/2000

# INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - RECLAIMED WATER

### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

N	ew	C	Α	C

SOURCE: BURTON & ASSOCIATES

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<u>2004</u> \$422,096	2005	2006			
£422.00¢		2000	2007	2008	2009
	\$422,096	\$422,096	\$422,096	\$422,096	\$413,639
a+22,090	\$422,090	3422,090	\$422,090	3422,090	<b>3</b> 4 13,003
\$422,096	\$422,096	\$422,096	\$422,096	\$422,096	\$413,639
\$163,810	\$163,810	\$163,810	\$163,810	\$163,810	\$160,528
		A188 A18	A 100 5 10	8163 816	# 1 P.N. E.N.S.
\$163,810	\$163,810	\$163,810	\$163,810	\$163,810	\$160,528
\$585,907	\$585,907	\$585,907	\$585,907	\$585,907	\$574,167
2004	2005	2006	2007	2008	2009
\$42,210	\$56,280	\$70,349	\$84,419	\$98,489	\$112,277
\$42,210	\$56,280	\$70,349	\$84,419	\$98,489	\$112,277
V	***************************************	,			
\$16,381	\$21,841	\$27,302	\$32,762	\$38,222	\$43,573
\$16,381	\$21,841	\$27,302	\$32,762	\$38,222	\$43,573
\$58,591	\$78,121	\$97,651	\$117,181	\$136,712	\$155,850
2004	2005	2006	2007	2008	2009
\$585,907	\$585,907	\$585,907	\$585,907	\$585,907	\$574,167
\$1,757,720	\$2,343,626	\$2,929,533		\$4,101,346	\$4,675,513
<b>4</b> 4, 2 1, 2 2	V-1				
50.504	70.404	07.654	447 484	136,712	155,850
				\$136,712	\$155,850
+,	,	•		•	•
		2797 953	\$410.135	\$545,845	\$702,697
	58,591 \$58,591	\$58,591 \$78,121	\$58,591 \$78,121 \$97,651		\$58,591 \$78,121 \$97,651 \$117,181 \$136,712

# INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM RATE BASE

## Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1	Reclaimed Water Percent Contributed	0%	0%	0%	23%	40%	53%	61%	69%	62%	67%	72%
2	Utility Plant in Service	\$0	\$100,000	\$100,000	\$2,459,596	\$2,881,693	\$3,303,789	\$3,825,885	\$4,247,982	\$5,645,078	\$6,067,174	\$6,480,813
3	Include Construction Work in Progress? NO	0	0	0	0	0	0	0	0	0	0	0
4	Less: Accumulated Depreciation	0	0	0	(41,085)	(123,255)	(219,495)	(329,805)	(454,185)	(606,442)	(786,575)	(980,497)
5	Utility Plant in Service less Accum Depr.	\$0	\$100,000	\$100,000	\$2,418,511	\$2,758,437	\$3,084,294	\$3,496,080	\$3,793,796	\$5,038,636	\$5,280,599	\$5,500,316
6	Less: Accumulated CIAC	0	0	0	(585,907)	(1, 171, 813)	(1,757,720)	(2,343,626)	(2,929,533)	(3,515,439)	(4,101,346)	(4,675,513)
7	Plus: Accumulated Amortization of CIAC	0	0	0	19,530	58,591	117,181	195,302	292,953	410,135	546,846	702,697
8	Net Utility Plant in Service	\$0	\$100,000	\$100,000	\$1,852,135	\$1,645,215	\$1,443,755	\$1,347,756	\$1,157,217	\$1,933,331	\$1,726,099	\$1,527,500
9	Plus or Minus:											
10	Acquisition Adjustments											
11	Accumulated Amort of Acq Adjustments											
12	Working Capital Allowance 12.50% of O&M	0	0	0	2,925	6,625	10,477	14,432	18,476	22,602	26,808	31,015
13	Other	0	0	0	. 0	. 0	. 0	. 0	. 0	0	0	0
14	Net Utility Plant in Service	50	\$100,000	\$100,000	\$1,855,060	\$1,851,840	\$1,454,232	\$1,362,188	\$1,175,693	\$1,955,933	\$1,752,907	\$1,558,515
15	U&U Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
16	Rate Base	\$0	\$100,000	\$100,000	\$1,855,060	\$1,651,840	\$1,454,232	\$1,362,188	\$1,175,693	\$1,955,933	\$1,752,907	\$1,558,515

SOURCE: BURTON & ASSOCIATES C:\DATA\123\CU\DRAFT\FAMS0207.WK4

Figure 10

## INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM UTILITY PLANT IN SERVICE - RECLAIMED WATER

### Reclaimed Water

		Estimated Original Cost	in Svc Date	1996	1990	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	New Assets per CIP:														
1	12" PVĆ Reuse Main	\$810,000						\$810,000							
2	Reuse Transfer Pump Station	250,000						\$250,000							
3	3.0 MG Lined Effluent Storage Pond	360,000	2002					360,000							
4	Supply Well	110,000	2002					110,000							
5	Engineering & Contingency	407,500	2002					407,500							
6	12" PVC Reuse Main	300,000	2007					•					\$300,000		
7	Expand Reuse Transfer P.S.	100,000	2007										\$100,000		
8	3.0 MG Lined Effluent Storage Pond	360,000	2007										\$360,000		
9	Engineering & Contingency	215,000											\$215,000		
10	Land	100,000				\$100,000							<b>V</b> 2.0,000		
11	Land	100,000				\$100,000					100,000				
12	Total Utility Plant in Service (not include	ng CIAC)		\$0	\$0	\$100,000	\$100,000	\$2,037,500	\$2,037,500	\$2,037,500	\$2,137,500	\$2,137,500	\$3,112,500	\$3,112,500	\$3,112,500
	New Plant Assets per CIAC:														
13	New Plant Assets (CIAC)				\$0	\$0	\$0	\$422,096	\$422,096	\$422,096	\$422,096	\$422,096	\$422,096	\$422,096	\$413,639
14	Total New Plant Assets (CIAC)		-	\$0	\$0	\$0	\$0	\$422,096	\$844,193	\$1,266,289	\$1,688,385	\$2,110,482	\$2,532,578	\$2,954,674	\$3,368,313
15 To	otal Recialmed Water Utility Plant in S	Service		\$0	\$0	\$100,000	\$100,000	\$2,459,596	\$2,881,693	\$3,303,789	\$3,825,885	\$4,247,982	\$5,645,078	\$6,067,174	\$6,480,813

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## INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM CAPITAL IMPROVEMENTS PROGRAM

#### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

								HICREASE											
		AMOUNT		1H 986	- MONTHS			896											
		DEST		VICE	TO COM-	% DOST	ASSET	CAPACITY											
	PROJECT TOTAL		PROJECT NAME	DATE	STRUCT	FUNDED	LIFE	(MGD)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1	lecialmed Wa	ter													. 12				
1	\$810,000		VC Reuse Main	2002		100%	45					810,000							
2	250,000	260,000 Reus	se Transfer Pump Station	2002	24	100%	25					250,000	^~~~~	***************************************					
3	260,000		IG Lined Effluent Storage Pon		24	100%	41	1.00				380,000	***************************************	***************************************					
4	110,000	110,000 Supp		2002		100%	30				***************************************	110,000							
5	407,500		neering & Contingency	2002		100%	30					407,500						4	
	300,000		VC Reuse Main	2007		100%	45			.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,							300,000		
,	100,000		ind Reuse Trensfer P.S.	2007		100%	20										100,000		
	360,000	360,000 3.0 A	AG Lined Effluent Storage Pon	2007	24	100%	41	1.00		***************************************							360,000		
•	215,000	215,000 Engh	neering & Contingency	2007	24	100%	30						······································				215,000		
10	100,000	100,000 Land		2000		100%	***************************************			100,000	,					#,;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;;		A	
11	100,000	100,000 Land		2005		100%	***************************************								100,000				
12						~~ <del>~~~~</del>	***************************************				***************************************					***************************************			
13	\$3,112,500	\$3,112,500							\$0	\$100,000	\$0	\$1,937,500	\$0	\$0	\$100,000	\$0	\$975,000	\$0	\$0

POURCE: BURTON & ASSOCIATES / PESA



# INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM USED AND USEFUL

## Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

		<u>1999</u>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1	Reclaimed Water											
2	Capacity											
3	Capacity in ERC's	1	1	1	1	3,449	3,449	3,449	3,449	3,449	6.898	6,898
4	Additional Capacity in ERC's	0	0	0	3,448	. 0	. 0	Ó	0	3.448	0	0
5	Total Capacity	1	1	1	3,449	3,449	3,449	3,449	3,449	6,898	6,898	6,898
6	Connection / Growth											
7	Connections in ERC's	1	1	- 1	1	700	1,398	2,097	2,796	3,495	4,193	4,892
8	Annual Growth Percent	0.00%	0.00%	0.00%	69870.00%	99.86%	49.96%	33.32%	24.99%	19.99%	16.66%	14.00%
9	Additional Units	0	0	0	699	699	699	699	699	699	699	685
10	Total Connections	1	1	1	700	1,398	2,097	2,796	3,495	4,193	4,892	5,577
11	Raw U & U Percent	100.00%	100.00%	100.00%	20.29%	40.54%	60.80%	81.05%	101.31%	60.79%	70.92%	80.85%
12	PLUS: Margin Reserve @ 36 Mos.	0	0	0	2,096	2,096	2,096	2,096	2,096	2,096	2,096	2,054
13	Total Connections plus Margin Reserve	1	1	1	2,796	3,495	4,193	4,892	5,591	6,289	6,988	7,631
14	U & U Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**SOURCE: BURTON & ASSOCIATES** 

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#### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

					_		FY	1999				FY20	00		
1	Lender	Orig Loan Amount Ori	ig Loan Date Ter	m Inte	erest Rate	Beginning Balance	Principal	interest	Balance	Cost of Capital Calc	Beginning Balance	Principal	interest	Balance	Cost of Capital Calc
2															
3															
5															
6															
7															
9										:					
10															
11															
13															
14	Equity New Debt- In Service:	0			10.00%	0	0	ď	)	0 0	0	0	0	0	0
16	1999	0		20	6.50%	0	0		)	0 0	0	0	0	0	0
17	2000 2001	101,500		20	6.50%	0	0	9	2	0 0	101,500	2,614	6,598	98,886	6,428
19	2007	1,966,563		20 20	6.50% 6.50%	0	0	,	י ר	0 0		0	0	ŭ	ĕ
20	2003	0		20	6.50%	ŏ	ŏ	i	5	ŏ	ŏ	ŏ	ŏ	ŏ	Ō
21	2004	0		20	6.50%	0	0	(	0	0 0	0	0	0	0	0
22 23	2005 2006	101,500		20	6.50%	0	0	9	9	0 0	0	0	0	0	0
23	2006	989,625		20 20	6.50% 6.50%	0	0	5	0	0 0		0	0	Ü	0
25	2008	000,023		20	6.50%	ő	ŏ	ì	5	0 0	١	ŏ	ŏ	ŏ	ŏ
26	2009	Ŏ		20	6.50%	ŏ	ŏ	i	5	ŏ ŏ	Ŏ	ŏ	ō	Ō	0
27 28	New Debt- Construction Work in Progress:	_		20	7.50%				0	0 0	0		0	0	0
29 30		0			10.00%									0	0
31		<u></u>			10.00%	\$0	\$0	\$(	,	io <b>\$</b> 0	<del></del>	\$2,614	\$6,598	\$98,886	
32	Weighted Average Cost of Capital									0.00%					6.50%

SOURCE: BURTON & ASSOCIATES C:\DATA\123\CU\DRAFT\FAMS0207.WK4

02/07/2000

### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

					_		FY2	001		<del> </del>		FY 20	XO2		
1	Lender	Orig Loan Amount	Orig Loan Date	Term	interest Rate	Beginning Balance	Principal	interest	Balance	Cost of Capital Cate	Beginning Balance	Principal	Interest	Balance	Cost of Capital Calc
2															
3															
3															
6															l
7															ľ
•															
10	1									Ì					İ
11															
12															
14	Equity	1	0		10.00%	0	0	0	0	اه	0	0	0	0	اه
	New Debt- in Service:					•	•		•	ไ	·	·	•	_	]
16 17		101,50	2	20 20	6.50% 6.50%	0 98,886	0	0	0	0	0	0	0 8,247	0 93,136	6,054
18	2001	101,50	5	20	6.50%	90,000 0	2,784 0	6,428 0	96,102	6,247 0	96,102	2,965 0	0,247	93,136	0,054
19	2002	1,966,563	3	20	6.50%	ŏ	ŏ	ō	ŏ	ŏ	1,966,563	50,652	127,827	1,915,911	124,534
20 21	2003 2004		D	20 20		0	0	0	0	0	0	0	0	0	0
22		101,50	5	20		ŭ	Ü	0	0	ű	0	0	ŏ	ŏ	äl
23		(	)	20	6.50%	Ŏ	ŏ	ŏ	ŏ	ŏ	ŏ	ŏ	ŏ	ŏ	ō
24 25		989,62	5	20		0	0	0	0	Ō	0	0	0	0	0
26	2009		,	20 20		0	0	0	0	0	0	0	0	0	0
27						•	·	•	•	ŭ	•	•	•	_	-
28	New Debt- Construction Work in Progress:			20	7.50%			0	0	0			0	0	0
30	New Equity		0		10.00%				0	0				0	o
31							\$2,784	\$8,428	\$96,102	\$8,247	1	\$53,617	\$134,073	\$2,009,047	
32	Weighted Average Cost of Capital									6.50%					6.50%

SOURCE: BURTON & ASSOCIATES C:DATA\123\\CUORAFT\FAMS0207.WK4

02/07/2000

#### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

					_		FY2	203				FY 20	04		
	Lender	Orig Loan Amount	Orig Loan Date	Term	Interest Rate	Beginning Balance	Principal	Interest	Balance	Cost of Capital	Beginning Balance	Principal	interest	Balance	Cost of Capital
1							Типогран				200.00	T THEODER			
2															
3															
4															
5															
6															
7															
8															
9										1					1
10															
11															
12															
13															
14	Equity	1	)		10.00%	0	0	0	0	o	0	0	0	0	0
	New Debt- In Service:														
16		1	)	21	6.50%	0	0	0	0	o	0	0	0	0	0
17		101,50	)	20	6.50%	93,136	3,158	6,054	89,978	5,849	89,978	3,363	5,849	86,615	5,630
18			)	20		0	0	0	0	0	0	0	0	0	0
19		1,966,56	3	20	6.50%	1,915,911	53,944	124,534	1,861,967	121,028	1,861,967	57,450	121,028	1,804,517	117,294
20		1	)	20		0	0	0	0	0	0	0	0	Ō	0
21			)	21		0	0	0	0	0	0	0	Q	Ō	0
22		101,50	)	20		0	0	0	0	0	0	Ģ	Q	0	9
23			?	20		0	0	0	0	0	0	0	Ō	0	0
24	2007	989,62	5	20	6.50%	o o	0	0	0	0	0	Ō	0	0	0
25 26	2008		?	20		o	0	0	0	0	0	0	0	0	9
26 27	2009		)	20	6.50%	0	0	0	0	0	0	0	0	0	0
	New Debt- Construction Work in Progress:							_	_	_			_		
20				20	7.50%			0	C	0			0	0	U
	Include CWIP in WACC? NO				40.000				_	_				^	
31			<i>,</i>		10.00%		BFT 185	#130 PAS	0	0		FAR 545	\$126,876	\$1,891,132	\$122,924
							\$57,102	\$130,588	\$1,951,945			\$60,813	3120,870	\$1,091,132	
32	Weighted Average Cost of Capital									6.50%					6.50%

SOURCE: BURTON & ASSOCIATES C:DATA:125VCUDRAFTFAMS0207.WK4

02/07/2000

#### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

					_		FY20	105				FY 20	06		
1	Lender	Orig Loen Amount C	Orig Loan Date	Term	Interest Rate	Beginning Balance	Principal	Interest	Balance (	Cost of Capital Calc	Beginning Balance	Principal	Interest	Balance	Cost of Capital Calc
2															
3															
5															
6															į
7										1					
8										1					
10															Ì
11															
12 13															
	Equity	0			10.00%	0	0	٥	0	0	0	0	0	0	اه
15	New Debt- In Service:	•				•	•	•	•	•	•	•	•	_	-1
16 17	1999 2000	404 500		20	6.50%	0	0	0	0	0	0		0	0	0
18	2000	101,500		20 20	6.50% 6.50%	86,615 D	3,582	5,630 0	83,033	5,397	83,033	3,815 0	5,397	79,219 0	5,149
19	2002	1,966,563		20	6.50%	1,804,517	81,185	117,294	1,743,332	113,317	1,743,332	65,162	113,317	1,878,171	109,081
20 21	2003	0		20	6.50%	0	0	0	0	0	0	0	0	0	0
22	2004 2005	101,500		20 20	6.50% 6.50%	0 101, <b>50</b> 0	0 2,614	6,598	0 98,886	6,428	0 98,886	2,784	6.428	96,102	6,247
23	2006	0,000		20	6.50%	101,500	2,014	0,586	50,000	0,720	0	2,704	0,420	0,102	0
24		989,625		20	6.50%	0	0	0	0	0	0	Ō	0	0	0
25 26		0		20 20	6.50% 6.50%	0	0	0	0	0	0	0	0	0	0
27		·		20	0.50%	U	U	U	U	ď	U	U	·	·	٦
28	New Debt- Construction Work in Progress:			20	7.50%			0	0	0			0	0	0
	Include CWIP in WACC? NO NO Now Equity	0			10.00%				0					0	٥
31					.5.5074		\$67,381	\$129,521	\$1,925,251	\$125,141	·	\$71,760	\$125,141	\$1,853,491	\$120,477
32	Weighted Average Cost of Capital									6.50%					6.50%

SOURCE: BURTON & ASSOCIATES C:DATA\123\CUDRAFTFAMS0207.WK4

02/07/2000

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#### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

					_		FY20	107				FY 20	08		
•	Lender	Orig Loan Amount	Orig Loan Date	Term	Interest Rate	Beginning Balance	Principal	Interest	Balance	Cost of Capital Calc	Beginning Balance	Principal	Interest	Salance	Cost of Capital Calc
2															1
3															j
4										1					1
5															
7															
á															
9															İ
10															-
11															1
12															
14			0		40.000	_	_	_	_	_	_	_	0	0	اه
15			,		10.00%	0	0	0	0	· ·	U	0	U	Ū	"
18			3	20	8.50%	0	0	0	٥	0	•	0	0	0	0
17	2000	101,50	5	20		79,219	4,063	5,149	75,156	4,885	75,156	4,327	4,885	70,830	4,604
18			0	20	6.50%	0	0	0	0	0	0	0	0	0	0
19		1,966,56	3	20	6.50%	1,678,171	69,397	109,061	1,608,774	104,570	1,608,774	73,908	104,570	1,534,866	99,766
20			9	20	6.50%	0	0	Ō	0	• 0	Ō	Ō	0	0	21
21 22		101,50	9	20 20	6.50% 6.50%	96,102	0 2,965	0	0 400		0	0 3,158	4064	89,978	5,849
23	2005	101,50	n	20	6.50%	90,102	2,¥00 0	6,247	93,136 0	6,054	93,136	3,136 0	6,054 0	0,4,40	3,540
24		989,62	5	20	8.50%	989,625	25,489	64,326	964,136	62,669	964,136	27,146	62,669	936,990	60,904
25	2008		)	20	6.50%	0	0	0	0	0	0	0	0	0	0
26		1	0	20	6.50%	0	0	0	0	. 0	0	0	0	0	0
27								_	_	_			_		ا
28	New Debt- Construction Work in Progress: Include CWIP in WACC?			20	7.50%			0	0	0			0	0	U.
30					10.00%				0					0	0
31					13.00%		\$101,914	\$184,803	\$2,741,202	\$178,178	*	\$108,538	\$178,178	\$2,632,664	\$171,123
32	Weighted Average Cost of Capital							,		6.50%					6.50%
										0.0070					

SOURCE: BURTON & ASSOCIATES C:DATA(123)/CUDRAFTFAMS()207, WK4

02/07/2000

Figure 14 Page 6 of 6

## INTERCOASTAL UTILITIES WATER & SEWER SYSTEM Weighted Average Cost of Capital Analysis

#### Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

					_		FY20	109		
Lender		Orig Loen Amount	Orig Loan Date To	erm k	nterest Rate	Beginning Balance	Principal	Interest	Balance	Cost of Capital Calc
•										
1										
!										
Equity		0			10.00%	0	0	0	0	1
New Debt- in Service:	4000	_				_	_	_	_	
	1999 2000	404 500		20	6.50%	. 0			0	
	2000	101,500		20 20	6.50% 6.50%	70,830	4,608	4,604	66,222	4,30
	2002	1,966,563		20	6.50%	1,534,886	0 78,712	0 99,766	0	94,85
	2003	1,000,000		20	6.50%	1,334,000	70,712		1,456,154	
	2003	Ö		20	6.50%	ž	ŭ	0		
	2005	101,500		20	6.50%	89,978	3,363	5,849	86,615	5,630
	2006	0		20	8.50%	04,570	3,303	3,549	00,013	5,05
	2007	969,625		20	6.50%	936,990	28,910	60,904	908,079	59,02
	2008	0		20	6.50%	0	0	0.,	0	75,52
<b>;</b>	2009	Ö		20	6.50%	Õ	ŏ	ŏ	Õ	
7						-		-		
New Debt- Construction Work in	Progress:			20	7.50%			0	0	
Include CWIP in WACC?	NC.									
New Equity		0			10.00%				0	
							\$115,593	\$171,123	\$2,517,071	
2 Weighted Average Cost o	f Capital									6.50%

SOURCE: BURTON & ASSOCIATES C:DATA(123)/CU/DRAFT/FAMS0207.VM44

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### INTERCOASTAL UTILITIES RECLAIMED WATER SYSTEM GRAPHS OF KEY INDICATORS

Scenario 3 - Intercoastal Utility's Reclaimed Water Rates

