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October 1, 2002

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COMMISSION
CLERK

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0865

Re: Docket No. 020409-SU; Application of Utilities, Inc. of Sandalhaven for
Rate Increase in Charlotte County, Florida

Dear Ms. Bayo:

This is in response to your September 3, 2002, letter of deficiency in the above referenced application. Attached are sixteen (16) copies of the revised schedules discussed below:

Responses to Specific Deficiencies

AUG 1 Deficiency No. 1 - re CIAC balances by classification

CAF _____ Enclosed are the following revised schedules:
CMP _____
COM 5 _____ Schedule A-12, Rev. 1, 10/4/02
CTR _____ Schedule A-14, Rev. 1, 10/4/02
EGR _____

GCL 1 Deficiency No. 2 - re Short Term Debt

OPC _____ Enclosed is the following revised schedule:
MMS _____
SEC 1 _____ Schedule D-4, Rev. 1, 10/4/02

OTH _____ The deficiency on this schedule was the omission of maturity dates. In revising this schedule, it was determined that the interest expenses were incorrect. They have been corrected in this revision.

Deficiency No. 3 - re Long Term Debt

Enclosed are the following revised schedules:

Schedule D-5, Rev. 1, 10/4/02

Schedule D-6, Rev. 1, 10/4/02

The deficiencies on these schedules were the omission of certain information and the detail

DOCUMENT NUMBER-DATE

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of variable rate debt. In revising this schedule, it was determined other information was incorrect. The corrections have been made in this revision.

Deficiency No. 4 - re Margin Reserve Calculations

Enclosed is the following revised schedule:

Schedule F-8, Rev. 1, 10/4/02

The alleged deficiency was that the growth figure of 14 ERCs was not supported by any calculation or analysis. That allegation is incorrect. Schedule F-8, as filed, makes reference to Schedule F-10. It is on that schedule that the ERC growth figure is calculated and explained. Nevertheless, Schedule F-8 is herein revised to include a paragraph that ties the two schedules together and further explains the calculation.

Deficiency No. 5 - re Schedules supporting allocated costs

There are no revised schedules required or included.

The alleged deficiency is that the applicant failed to file the copies of additional schedules required by Rule 25-30.436(4)(h), F.A.C. That allegation is incorrect. Those schedules were filed, acknowledged by the Division of Records & Reporting, and assigned Document No. 08685-02 on August 16, 2002. If, for some reason, you cannot locate the copies, we will be happy to provide additional copies, but that should not delay the determination of the official filing date.

Revised Fall-out Schedules

The numbers on several schedules changed as a fall-out of correcting the above deficiencies. Copies of those schedules are included:

- Schedule A-15, Rev. 1, 10/4/02
- Schedule B-2 and B-2, Interim, Rev. 1, 10/4/02
- Schedule B-3 and B-3 Interim, Rev. 1, 10/4/02
- Schedule B-15, Rev. 1, 10/4/02
- Schedule C-1 and C-1 Interim, Rev. 1, 10/4/02
- Schedule C-2 and C-2 Interim, Rev. 1, 10/4/02
- Schedule D-1 and D-1 Interim, Rev. 1, 10/4/02
- Schedule E-1 and E-1 Interim, Rev. 1, 10/4/02
- Schedule E-2 and E-2 Interim, Rev. 1, 10/4/02

Schedules E-2 and E-2 Interim are the schedules on which the rates necessary to recover the revenue requirement are calculated. In reviewing the schedules in response to the deficiencies it was noted that the residential gallons upon which the "per gallon" rate was based were total gallons and not the gallons capped at 8,000 gallons as required in the tariff. That correction has been made.

Revisions for Minor Typographical Corrections

In our review typographical corrections were made on the following schedules:
Schedule A-16, Rev. 1, 10/4/02, delete unnecessary lines 14 -16.

Schedule C- 3, Rev. 1, 10/4/02, Under "Sewer" column, carry forward amounts on lines 4 & 5, inadvertently omitted.

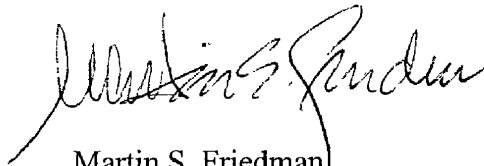
Schedule C-7, page 1, Rev. 1, 10/4/02, remove incorrect and unnecessary dates.

Schedule C-7, page 2, Rev. 1, 10/4/02, remove incorrect and unnecessary dates.

Finally, it should be noted the fall-out changes resulting from the above corrections have a minimal dollar effect on the revenues originally requested (\$444 out of an increase request of \$115,453) and have no impact on the application.

Very truly yours,

ROSE, SUNDBSTROM & BENTLEY, LLP



Martin S. Friedman
For the Firm

MSF:wjl

Enclosures

cc: Mr. Steve Lubertozzi
Mr. Don Rassmussen
Mr. Frank Seidman
Utilities\Sandalhaven\Deficiency

DOCKET NO. 020409-SU

UTILITIES, INC. OF SANDALHAVEN

Revised Schedules

Financial, Rate and Engineering Minimum Filing Requirements

October 4, 2002

	MFR
	Page no.
Schedule A-12, Rev. 1, 10/4/02	9
Schedule A-14, Rev. 1, 10/4/02	11
Schedule A-15, Rev. 1, 10/4/02	12
Schedule A-16, Rev. 1, 10/4/02.	13
Schedule B-2, Rev. 1, 10/4/02	17
Schedule B-3, Rev. 1, 10/4/02	18
Schedule B-15, Rev. 1, 10/4/02	27
Schedule C-1, Rev. 1, 10/4/02	28
Schedule C-2, Rev. 1, 10/4/02	29
Schedule C- 3, Rev. 1, 10/4/02	30
Schedule C-7, page 1, Rev. 1, 10/4/02	36
Schedule C-7, page 2, Rev. 1, 10/4/02	37
Schedule D-1, Rev. 1, 10/4/02	43
Schedule D-4, Rev. 1, 10/4/02	46
Schedule D-5, Rev. 1, 10/4/02	47
Schedule D-6, Rev. 1, 10/4/02	48
Schedule E-1, Rev. 1, 10/4/02	50
Schedule E-2, Rev. 1, 10/4/02	51
Schedule F-8, Rev. 1, 10/4/02	68
Schedule B-2 Interim, Rev. 1, 10/4/02	72
Schedule B-3 Interim, Rev. 1, 10/4/02	73
Schedule C-1 Interim, Rev. 1, 10/4/02	74
Schedule C-2 Interim, Rev. 1, 10/4/02	75
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Schedule E-2 Interim, Rev. 1, 10/4/02	79

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Schedule of Contributions in Aid of Construction By Classification
 Beginning and End of Year Average - Water and Wastewater

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Historic [X] or Projected []

Schedule: A-12
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide the ending balances and average of CIAC, by classification for the prior year and the test year. If a projected year is employed, provide breakdown for base year and intermediate year also.

Line No.	(1) Description	(2) Prior Year 12/31/00	(3) Test Year 12/31/01	(4) Average
WATER				
1	Plant Capacity Fees			-
2	Line/Main Extension Fees			-
3	Meter Installation Fees			-
4	Contributed Lines			-
5	Other - Undistr. Service Availability Fees			-
6				\$ -
7	Total	\$ -	\$ -	\$ -
WASTEWATER				
8	Plant Capacity Fees	\$ 695,848	\$ 699,598	697,723
9	Line/Main Extension Fees			-
10	Contributed Collection & Pumping Plant	909,328	909,328	909,328
11	Other (Describe)			
12		\$ -	\$ -	\$ -
13	Total	\$ 1,605,176	\$ 1,608,926	\$ 1,607,051

Recap Schedules: A-1,A-2,A-11

Schedule of Accumulated Amortization of CIAC By Classification
 Beginning and End of Year Average - Water and Wastewater

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Historic [X] or Projected []

Schedule: A-14
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide the ending balances and average of accumulated amortization of CIAC, by classification for the prior year and the test year. If a projected year is employed, provide breakdown for base year and intermediate year also.

Line No.	(1) Description	(2) Prior Year 12/31/00	(3) Test Year 12/31/01	(4) Average
WATER				
1	Plant Capacity Fees			-
2	Line/Main Extension Fees			-
3	Meter Installation Fees			-
4	Contributed Lines			-
5	Other (Describe)			-
6				\$ -
7	Total	\$ -	\$ -	\$ -
WASTEWATER				
8	Plant Capacity Fees	\$ 225,347	\$ 247,088	236,217
9	Line/Main Extension Fees			-
10	Contributed Collection & Pumping Plant	\$ 294,482	\$ 321,161	307,822
11	Other (Describe)			-
12		\$ -	\$ -	\$ -
13	Total	\$ 519,829	\$ 568,249	\$ 544,039

Accumulated amortization by classification allocated on basis of CIAC by classification.

Recap Schedules: A-1,A-2,A-11

Schedule of Annual AFUDC Rates Used

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001

Schedule: A-15
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide the annual AFUDC rates used since either rate base was last established by this Commission, or the date of inception of utility service if rate base has not been established previously. Include a description of practices and authority of rate(s) used.

Line
No.

1 AFUDUC rates since transfer and rate base established as of 8/31/98:

	<u>Jan - Jun</u>	<u>Jul - Dec</u>
1999	9.74%	9.97%
2000	9.96%	10.40%
2001	10.11%	9.36%

Per Rule 25-30.116(3)(a), the requested monthly discounted AFUDC rate, going forward is:

$$M = [(1 + A/100)^{1/12} - 1] \times 100$$

where:

A = annual AFUDC rate (see Sch. D-1) = 9.16%

M = 0.732952%

Schedule of Water and Wastewater Advances For Construction
Annual Balances Subsequent to Last Established Rate Base

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
Docket No.: 020409-SU
Schedule Year Ended: December 31, 2001

Schedule: A-16
Page 1 of 1
Preparer: Seidman, F.
Rev. 1, 10/4/02

Explanation: Provide the annual balance of Advances For Construction, for water and sewer separately, for all years since either rate base was last established by this Commission, or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary. If a projected test year is used, include the projected additions and/or retirements, specifically identifying those amounts. Also provide a brief description of the applicant's policy regarding advances.

Line No.	Description	Year-End Balance	
		Water	Wastewater
1	08/31/98 Balance per Order No. PSC-99-2114-PAA-SU	\$ -	\$ -
2	1998 Additions		
3	1998 Adjustments		
4	12/31/98 Balance	-	-
5	1999 Additions		
6	1999 Adjustments		
7	12/31/99 Balance	-	-
8	2000 Additions		
9	2000 Adjustments		
10	12/31/00 Balance	-	-
11	2001 Additions		
12	2001 Adjustments		
13	12/31/01 Balance	\$ -	\$ -

Recap Schedules: A-1, A-2, A-19

Schedule of Wastewater Net Operating Income

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Interim [] Final [X]
 Historic [X] or Projected []

Schedule: B-2
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Test Year Adjustments	(4) Utility Adjusted Test Year	(5) Requested Revenue Adjustment	(6) Requested Annual Revenues	(7) Supporting Schedule(s)
1	OPERATING REVENUES	\$ 221,904		\$ 221,904	\$ 115,009 E	\$ 336,914	B-4, E-2
2	Operation & Maintenance	228,069	8,182 A	236,251	30,000 F	266,251	B-5, B-3
3	Depreciation, net of CIAC Amort.	4,507	(4,990) B	(483)		(483)	B-14, B-3
4	Amortization					-	
5	Taxes Other Than Income	37,964	(615) C	37,349	5,152 G	42,501	B-15, B-3
6	Provision for Income Taxes	(32,307)	32,307 D	-	6,771 H	6,771	C-1, B-3
7	OPERATING EXPENSES	238,233	34,884	273,116	41,923	315,040	
8	NET OPERATING INCOME	\$ (16,328)	\$ (34,884)	\$ (51,212)	\$ 73,086	\$ 21,874	
9	RATE BASE	\$ 738,837		\$ 238,802		\$ 238,802	
10	RATE OF RETURN	(0.02) %		(0.21) %		9.16 %	

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Schedule Year Ended: December 31, 2001
 Interim [] Final [X]
 Historic [X] or Projected []

Schedule: B-3
 Page 1 of 1
 Docket No.: 020409-SU
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide a detailed description of all adjustments to operating income per books, with a total for each line item shown on the net operating income statement.

Line No.	Description	Water	Wastewater
1	(A) <u>Operations & Maintenance (O & M) Expenses</u>		
2	(1) Adjust salaries for difference between year end		
3	and current pay rates.		15,751
4	(2) Adjust pensions and benefits to reflect		
5	salary adjustments.		(2,255)
6	(3) Adjustment for revised common expense allocation		
7	(SE 51, 52, 60, 90).		856
	(4) Adjust bad debt expense for collection of guaranteed revenue		
	originally written off.		(6,170)
8	Total O&M Adjustments	\$	8,182
9	(B) <u>Non-used and useful depreciation</u>		
10	Non-used and useful depreciation (Page B-14)	\$	(4,990)
11	(C) <u>Taxes Other Than Income</u>		
12	(1) Payroll Taxes		
13	Adjust for salary changes per Adjustment (A) above		
14	(Page B-15)	\$	1,335
15	(2) Property Taxes		
16	Adjust for non used & useful plant, (Page B-15)		(1,950)
17	Total Taxes Other Adjustments	\$	(615)
18	(D) <u>Provision for Income Taxes</u>		
19	Remove negative income tax expense	\$	32,307
20	(E) <u>Revenue Increase</u>		
21	Increase in revenue required by the Utility to realize a		
22	9.16 % rate of return	\$	115,009
23	(F) <u>Rate Case Expense</u>		
24	1/4th of Rate Case Expense (Page B-10)	\$	30,000
25	(G) <u>Taxes Other Than Income</u>		
26	(2) Regulatory Assessment Fees (RAF's)		
27	Adjust for requested revenue increase (Page B-15)	\$	5,152
28	(H) <u>Provision for Income Taxes</u>		
29	Income taxes (Page C-1)	\$	6,771

Taxes Other Than Income (Final Rates)

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Historic [X] or Projected []

Schedule: B-15
 Page 1 of 1
 Preparer: Seidman, F.
 Recap Schedules: B-1, B-2
 Rev. 1, 10/4/02

Explanation: Complete the following schedule of all taxes other than income. For all allocations, provide description of allocation and calculations.

No.	(1) Line Description	(2) Regulatory Assessment Fees (RAFs)	(3) Payroll Taxes	(4) Real Estate & Personal Property	(5) Other	(6) Total
WATER						
1	Test Year Per Books			-		
Adjustments to Test Year (Explain)						
2	Increase in tangible tax per B-3					-
3	Payroll Tax for added employees		-			-
4	RAFs assoc. with annualized revenue					-
5						-
6	Total Test Year Adjustments	-	-	-	-	-
7	Adjusted Test Year	-	-	-	-	-
8	RAFs Assoc. with Revenue Increase	-	-	-	-	-
9	Total Balance	\$ -	\$ -	\$ -	\$ -	\$ -
SEWER						
10	Test Year Per Books	\$ 10,009	\$ 5,658	\$ 22,147	\$ 150	\$ 37,964
Adjustments to Test Year (Explain)						
11	Taxes re adj to salaries @ 7.65%		1,335			1,335
12	Adj. Prop. Tax for Non-used Plant		-	(1,950)		(1,950)
13						
14						
15	Total Test Year Adjustments	-	1,335	(1,950)	-	(615)
16	Adjusted Test Year	10,009	6,993	20,197	150	37,349
17	RAFs Assoc. with Revenue Increase	5,152	-	-	-	5,152
18	Total Balance	\$ 15,161	\$ 6,993	\$ 20,197	\$ 150	\$ 42,501

Reconciliation of Total Income Tax Provision

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Interim [] Final [X]
 Historic [X] or Projected []

Schedule: C-1
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide a reconciliation between the total operating income tax provision and the currently payable income taxes on operating income for the test year.

Line No.	Description	Ref.	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer
1	Current Tax Expense	C-2	\$ (39,264)	\$ 15,985	\$ (23,279)		\$ 6,771
2	Deferred Income Tax Expense	C-5	8,106	(8,106)	-		-
3	ITC Realized This Year	C-8					
4	ITC Amortization	C-8					
5	(3% ITC and IRC 46(f)(2))						
6	Parent Debt Adjustment	C-9	-	-	-	-	-
7	Total Income Tax Expense		<u>\$ (31,158)</u>	<u>\$ 7,879</u>	<u>\$ (23,279)</u>	<u>\$ -</u>	<u>\$ 6,771</u>

Supporting Schedules: C-2, C-5, C-8, C-9
 Recap Schedules: B-1, B-2

State and Federal Income Tax Calculation - Current

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Interim [] Final [X]
 Historic [X] or Projected []

Schedule: C-2
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide the calculation of state and federal income taxes for the test year. Provide detail on adjustments to income taxes and investment tax credits generated.

Line No.	Total Per Books	Utility Adjustments(1)	Utility Adjusted	Adjust for Increase	Sewer	
1	Net Utility Operating Income (Sch. B-1 & B-2)	\$ (16,328)	\$ (34,884)	\$ (51,212)	\$ 73,086	\$ 21,874
2	Add: Income Tax Expense Per Books (Sch. B-1)	(32,307)	32,307	-	6,771	6,771
3	Subtotal	(48,635)	(2,577)	(51,212)	79,857	28,645
4	Less: Interest Charges (Sch. C-3)	29,275	(19,106)	10,169	-	10,169
5	Taxable Income Per Books	(77,910)	16,529	(61,381)	79,857	18,476
Schedule M Adjustments:						
6	Permanent Differences (From Sch. C-4)	2,190	(2,190)	-	-	-
7	Timing Differences (From Sch. C-5)	24,242	(24,242)	-	-	-
8	Total Schedule M Adjustments	26,432	(26,432)	-	-	-
9	Taxable Income Before State Taxes	(104,342)	42,961	(61,381)	79,857	18,476
10	Less: State Income Tax Exemption (\$5,000)		5,000	5,000	5,000	5,000
11	State Taxable Income	(104,342)	37,961	(66,381)	74,857	13,476
12	State Income Tax (5.5% of Line 11)*	(5,739)	2,088	(3,651)	4,117	741
13	Emergency Excise Tax					
14	Credits					
15	Current State Income Taxes	(5,739)	2,088	(3,651)	4,117	741
16	Federal Taxable Income (Line 9 - Line 15)	(98,603)	40,873	(57,730)	75,740	17,735
17	Federal Income Tax Rate	0.34	0.34	0.34	0.34	0.34
18	Federal Income Taxes (Line 16 x Line 17)	(33,525)	13,897	(19,628)	25,752	6,030
19	Less: Investment Tax Credit Realized This Year (Sch. C-8)	-	-	-	-	-
20	Current Federal Inc. Taxes (Line 18 - Line 19)	(33,525)	13,897	(19,628)	25,752	6,030
Summary:						
21	Current State Income Taxes (Line 15)	(5,739)	2,088	(3,651)	4,117	741
22	Current Federal Income Taxes (Line 20)	(33,525)	13,897	(19,628)	25,752	6,030
23	Total Current Income Tax Expense (To C-1)	\$ (39,264)	\$ 15,985	\$ (23,279)	\$ 29,869	\$ 6,771
24	Note (1) Adjustments zero out negative income tax and Schedule M adjustments so that tax calculated for rate purposes reflects stand alone current tax obligation only					
	Supporting Schedules: B-1,B-2,C-3,C-4,C-5,C-8					
	Recap Schedules: C-1					

Schedule of Interest in Tax Expense Calculation

Florida Public Service Commission
 Schedule: C-3
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Historic [X] or Projected []

Explanation: Provide the amount of interest expense used to calculate income taxes on Schedule No. C-2. Explain any changes in interest expense in detail giving amount of change and reason for change. If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income taxes payable, the differing bases should be clearly identified.

Line No.	Description	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer
1	Interest on Long-Term Debt	\$ -		\$ -		
2	Amortization of Debt Premium, Disc. and Expense Net			-		
3	Interest on Short-Term Debt					
4	Other Interest Expense - Intercompany	31,465		31,465		31,465
5	AFUDC	(2,190)		(2,190)		(2,190)
6	ITC Interest Synchronization (IRC 46(f)(2) only - See below)	N/A				
		-	-	-	-	-
7	Total Used For Tax Calculation	\$ 29,275	\$ -	\$ 29,275	\$ -	\$ 29,275

Calculation of ITC Interest Synchronization Adjustment ONLY for Option 2 companies (See Sch. C-8, pg. 4)

Balances From Schedule D-1	Amount	Ratio	Cost	Total Weighted Cost	Debt Only Weighted Cost
8 Long-Term Debt	\$ -	This Schedule is not applicable			
9 Short-Term Debt	-				
10 Preferred Stock	-				---
11 Common Equity	-				---
12 Total	\$ -	\$ -	\$ -	\$ -	\$ -
13 ITCs (from D-1, Line 7)					
14 Weighted Debt Cost (From Line 12)	-				
15 Interest Adjustment (To Line 6)	\$ -				

Supporting Schedules: D-1,C-8
 Recap Schedules: C-2

Investment Tax Credits - Analysis

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001

Schedule: C-7
 Page 1 of 4
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide an analysis of accumulated tax credits generated and amortized on an annual basis beginning with the test year in the last rate case to the end of the current test year. Amounts provided by the Revenue Act of 1971 and subsequent acts should be shown separately from amounts applicable to prior laws. Identify progress payments separately.

Line No.	Year	3% ITC						4% ITC					
		Amount Realized			Amortization			Amount Realized			Amortization		
		Beginning Balance	Current Year	Prior Year Adjust.	Current Year	Prior Year Adjust.	Ending Balance	Beginning Balance	Current Year	Prior Year Adjust.	Current Year	Prior Year Adjust.	Ending Balance
The Utility has no investment tax credits; therefore, this schedule is not applicable													
1		-					-						-
2		-					-						-
3		-					-						-
4		-					-						-
5		-					-						-
6													

Supporting Schedules: None
 Recap Schedules: C-2, C-3, C-10, D-2, A-18, A-19

Investment Tax Credits - Analysis

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001

Schedule: C-7
 Page 2 of 4
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide an analysis of accumulated tax credits generated and amortized on an annual basis beginning with the test year in the last rate case to the end of the current test year. Amounts provided by the Revenue Act of 1971 and subsequent acts should be shown separately from amounts applicable to prior laws. Identify progress payments separately.

Line No.	Year	8% ITC						10% ITC					
		Beginning Balance	Amount Realized		Amortization		Ending Balance	Beginning Balance	Amount Realized		Amortization		Ending Balance
			Current Year	Prior Year Adjust.	Current Year	Prior Year Adjust.			Current Year	Prior Year Adjust.	Current Year	Prior Year Adjust.	
The Utility has no investment tax credits; therefore, this schedule is not applicable													
1		-					-					-	
2		-					-					-	
3		-					-					-	
4		-					-					-	
5		-					-					-	
6		-					-					-	

Supporting Schedules: None
 Recap Schedules: C-2, C-3, C-10, D-2, A-18, A-19

Schedule of Requested Cost of Capital (Final Rates)
Beginning and End of Year Average

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
Docket No.: 020409-SU
Schedule Year Ended: December 31, 2001
Historic [X] or Projected []

Schedule: D-1
Page 1 of 1
Preparer: Seidman, F.
Rev. 1, 10/4/02
Subsidiary [] or Consolidated [X]

Explanation: Provide a schedule which calculates the requested Cost of Capital on a beginning and end of year average basis. If a year-end basis is used, submit an additional schedule reflecting year-end calculations.

Line No.	Class of Capital	(1) Reconciled to Requested Rate Base	(2) Ratio	(3) Cost Rate	(4) Weighted Cost
1	Long-Term Debt	103,365	43.28 %	8.82 %	3.8200 %
2	Short-Term Debt	22,455	9.40 %	2.54 %	0.2400 %
3	Preferred Stock				
4	Customer Deposits	8,025	3.36 %	6.00 %	0.20 %
5	Common Equity	104,957	43.96 %	11.14 %	4.90 %
6	Tax Credits - Zero Cost				
7	Accumulated Deferred Income Tax				
8	Other (Explain)				
9	Total	<u>238,802</u>	<u>100.00 %</u>		<u>9.16 %</u>

10 Note: Cost of Equity based on Order No. PSC-01-2514-FOF-WS

Simple Average Cost of Short-Term Debt

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Utility [] or Parent [X], Utilities, Inc.
 Historic [X] or Projected []

Schedule: D-4
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide the following information on a beginning and end of year average basis. If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information for the parent level.

Line No.	Lender	(1) Total Interest Expense	(2) Maturity Date	(3) Simple Average Amt. Outstanding	(4) Effective Cost Rate
1	American National	79,699	12/31/01	8,909,000	0.89%
2	Bank of America	<u>318,696</u>	12/31/01	<u>6,750,000</u>	4.72%
	Total	<u>398,395</u>		<u>15,659,000</u>	<u>2.54%</u>

Recap Schedules: A-19,D-2

Cost of Long-Term Debt
Beginning and End of Year Average

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
Docket No. 020409-SU
Schedule Year Ended: December 31, 2001
Utility [] or Parent [X], Utilities, Inc.
Historic [X] or Projected []

Explanation: Provide the specified data on long-term debt issues on a simple average basis for the test year. Arrange by type of issue (i.e., first mortgage bonds). If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information on the parent level.

Schedule: D-5
Page 1 of 1
Preparer: Seidman, F.
Rev. 1, 10/4/02

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Line No	Description, Coupon Rate, Years of Life	Issue Date-Maturity Date	Principal Sold (Face Value)	Principal Amount Outstanding	Amount Outstanding Within One Year	Unamortized Discount (Premium) Associated With Col(4)	Unamortized Issuing Expense Associated With Col(4)	Annual Amortization of Discount (Premium) on Principal Outstanding	Annual Amort. of Issuing Expense on Principal Outstanding	Interest Cost (Coupon Rate) x Col (4)	Total Interest Cost (8)+(9)+(10)	Effective Cost Rate (11)/(4)-(6)-(7))
1	Collateral Trust Notes -											
2	9.16%, \$1,000,000 due in annual installments beginning April 30, 1997	5/15/91-4/30/06	10,000,000	5,500,000	1,000,000		45,048		10,284	488,533	498,817	9.14%
3	9.01%, \$1,500,000 due in annual installments beginning November 30, 1998	7/15/92-11/30/07	15,000,000	9,750,000	1,500,000		135,875		24,214	934,788	959,002	9.97%
4	8.421%, \$5,857,143 due in annual installments beginning 2009	6/15/00-6/30/15	41,000,000	41,000,000	0		952,096		70,700	3,452,200	3,522,900	8.80%
5	7.87%, due June 1, 2005	6/1/95-6/1/05	15,000,000	15,000,000	0		58,741		15,955	1,180,500	1,196,455	8.01%
6	Mortgage Notes -											
7	Variable Long Term Debt - carried over from Sch D-6, to calculate average LTD rate		400,000	348,116	0		-			31,005	31,005	8.91%
8	Total		\$ 81,400,000	\$ 71,598,116	\$ 2,500,000	-	1,191,760	-	121,153	\$ 6,087,026	\$ 6,208,179	8.82%

Supporting Schedules: D-8
Recap Schedules: A-19,D-2

Cost of Variable Rate Long-Term Debt
Beginning and End of Year Average

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
Docket No.: 020409-SU
Schedule Year Ended: December 31, 2001
Utility [X] or Parent []
Historic [X] or Projected []

Schedule: D-6
Page 1 of 1
Preparer: Seldman, F.
Rev. 1, 10/4/02

Explanation: Provide the specified data on variable cost long-term debt issues on a simple average basis. If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information for the parent level.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
Line No	Description, Coupon Rate, Years of Life	Issue Date-Maturity Date	Principal Amount Sold (Face Value)	Principal Amount Outstanding	Amount Outstanding Within One Year	Unamortized Discount (Premium) Associated With Col(4)	Unamortized Issuing Expense Associated With Col(4)	Annual Amortization of Discount (Premium) on Principal Outstanding	Annual Amort of Issuing Expense on Principal Outstanding	Basis of Variable Rate \pm Prime + 2%	Interest Cost (Test Year Cost Rate x Col. (4))	Total Interest Cost $(8)+(9)+(11)$	Effective Cost Rate $(12)/((4)+(9)+(11))$
1	8 84% Promissory Note	9/1/97 - 12/20/12	100,000	84,263							7,758	7,758	9.21%
2	8 60% Promissory Note	9/1/97 - 12/21/15	100,000	86,891							7,699	7,699	8.86%
3	8 10% Promissory Note	9/1/97 - 11/15/15	100,000	87,079							7,267	7,267	8.35%
4	8 96% Promissory Note	9/1/97 - 12/20/16	100,000	89,883							8,281	8,281	9.21%
											\$ 31,005	\$ 31,005	8.91%

Supporting Schedules: None
Recap Schedules: A-19,D-2, D-5

Rate Schedule

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Water [] or Sewer [X]

Schedule: E-1
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide a schedule of present and proposed rates. State residential sewer cap, if one exists.

Line No	(1) Class/Meter Size	(2) Present Rates	(3) Proposed Rates
1	Residential		
2	All meter sizes	12.00	18.40
3	Gallage Charge (per 1000 gallons)	2.59	3.97
4	8,000 gallons maximum		
5	Multi-Residential		
6	All meter sizes - per dwelling unit	12.00	18.40
7	Gallage Charge (per 1000 gallons)	2.59	3.97
8	General Service		
9	5/8" x 3/4"	12.00	18.40
10	1"	30.00	46.01
11	1 1/2"	60.00	92.02
11a	1 1/2" - 15 ERC Restaurant	180.00	276.07
12	2"	96.00	147.24
13	3"	180.00	276.07
14	4"	300.00	460.12
15	6"	600.00	920.24
16	Gallage Charge (per 1000 gallons)	2.59	3.97
17	Guaranteed Revenue Charge -		
18	per ERC/month	12.00	18.40

Revenue Schedule at Test Year Rates - Proof of Revenue

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Water [] or Sewer [X]

Schedule: E-2
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

(1) Line No.	(6) Class/Meter Size	(7) Total Bills	(8) Total Gallons	(9) Test Year Rates	(10) Test Year Revenue	Proposed Rates	Revenue at Proposed Rates
1	Residential						
2	All meter sizes	8,013		\$ 12.00	\$ 96,156	\$ 18.40	\$ 147,477
3	M Gallons (8,000 gal cap)		17,559	2.59	45,478	3.97	69,750
4	Total Residential	8,013	17,559		\$ 141,634		\$ 217,227
5	Average Bill				\$ 17.68		\$ 27.11
1	Multi - Residential						
2	Dwelling units	1,548		\$ 12.00	\$ 18,576	\$ 18.40	\$ 28,490
3	M Gallons (8,000 gal cap per unit)		4,093	2.59	10,601	3.97	16,259
4	Total Multi-Residential	1,548	4,093		\$ 29,177		\$ 44,749
5	Average Bill				\$ 18.65		\$ 28.91
6	General Service						
7	5/8" X 3/4"	205		12.00	2,460	18.40	3,773
8	M Gallons		2,011	2.59	5,208	3.97	7,988
9	1"	12		30.00	360	46.01	552
10	M Gallons		185	2.59	479	3.97	735
11	1 1/2"	34		60.00	2,040	92.02	3,129
12	M Gallons		974	2.59	2,523	3.97	3,869
	1 1/2" - 15 ERC Restaurant	12		180.00	2,160	276.07	3,313
	M Gallons		1,291	2.59	3,344	3.97	5,128
13	2"	36		96.00	3,456	147.24	5,301
14	M Gallons		503	2.59	1,303	3.97	1,998
15	3"			180.00	-	276.07	-
16	M Gallons			2.59	-	3.97	-
17	4"			300.00	-	460.12	-
18	M Gallons			2.59	-	3.97	-
19	6"			600.00	-	920.24	-
20	M Gallons			2.59	-	3.97	-
23	Total Gen Serv	299	4,964		\$ 23,333		\$ 35,786
24	Average Bill				\$ 78.04		\$ 119.69
25	Miscellaneous service revenues						
26	Guaranteed Revenue Charge	1,778		\$ 12.00	21,340	\$ 18.40	32,730
27	Other				5,392		5,392
28	Total Misc. Service Revenues				26,732		38,122
29	Total Annual Revenue				220,876		335,884
30	Total revenue per books/required				221,904		336,914
31	Immaterial difference			-0.46%	\$ (1,028)	-0.31%	\$ (1,030)

Margin Reserve Calculations

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
Docket No.: 020409-SU
Schedule Year Ended: December 31, 2001

Schedule F-8
Page 1 of 2
Preparer: Seidman, F.
Rev. 1, 10/4/02

Explanation: If a margin reserve is requested, provide all calculations and analyses used to determine the amount of margin reserve for each portion of used and useful plant.

Line
No.

1 Wastewater Treatment

2 $PN = EG \times PT \times U$

where:

3 EG = Equivalent annual growth in ERCs

14 ERC/yr *

4 PT = Post test year period per statute

5 yrs

5 U = Unit of measure utilized in U&U calculations

280 gpd/ERC

6 PN = Property needed expressed in U units

19,615 gpd

7 * See Page F-10 :

Per Schedule F-10, the property needed (PN) to serve five years after the test year is estimated to be 19,615 gpd. Using the planning measure of usage per ERC of 280 gpd, $19,615 \text{ gpd} / 280 \text{ gpd/ERC} = 70 \text{ ERCs}$ over five years, or 14 ERC/yr.

Schedule of Wastewater Net Operating Income

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Interim Final
 Historic or Projected

Schedule: B-2 Interim
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Test Year Adjustments	(4) Utility Adjusted Test Year	(5) Requested Revenue Adjustment	(6) Requested Annual Revenues	(7) Supporting Schedule(s)
1	OPERATING REVENUES	\$ 221,904	\$ -	\$ 221,904	\$ 83,590 E	\$ 305,495	B-4, E-2
2	Operation & Maintenance	228,069	8,182 A	236,251		236,251	B-5, B-3(a)
3	Depreciation, net of CIAC Amort.	4,507	(4,990) B	(483)		(483)	B-13, B-3(a)
4	Amortization						B-3(a)
5	Taxes Other Than Income	37,964	(615) C	37,349	3,739 F	41,087	B-15, B-3(a)
6	Provision for Income Taxes	(32,307)	32,307 D	-	6,769 G	6,769	C-1, B-3(a)
7	OPERATING EXPENSES	238,233	34,884	273,116	10,508	283,624	
8	NET OPERATING INCOME	\$ (16,328)	\$ (34,884)	\$ (51,212)	\$ 73,083	\$ 21,871	
9	RATE BASE	\$ 738,837		\$ 238,802		\$ 238,802	
10	RATE OF RETURN	(0.02) %		(0.21) %		9.16 %	

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Schedule Year Ended: December 31, 2001
 Interim Final
 Historic or Projected

Schedule: B-3 Interim
 Page 1 of 1
 Docket No.: 020409-SU
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide a detailed description of all adjustments to operating income per books, with a total for each line item shown on the net operating income statement.

Line No.	Description	Water	Wastewater
1	(A) <u>Operations & Maintenance (O & M) Expenses</u>		
2	(1) Adjust salaries for difference between year end		
3	expense and present salaries.		15,751
4	(2) Adjust pensions and benefits to reflect		
5	salary adjustments.		(2,255)
6	(3) Adjustment for revised common expense allocation		
7	(SE 51, 52, 60, 90).		856
	(4) Adjust bad debt expense for collection of guaranteed revenue		
	originally written off.		(6,170)
8	Total O&M Adjustments	\$	8,182
9	(B) <u>Non-used and useful depreciation</u>		
10	Non-used and useful depreciation (Page B-14)	\$	(4,990)
11	(C) <u>Taxes Other Than Income</u>		
12	(1) Payroll Taxes		
13	Adjust for salary changes per Adjustment (A) above		
14	(Page B-15)	\$	1,335
15	(2) Property Taxes		
16	Adjust for non used & useful plant, (Page B-15)		(1,950)
17	Total Taxes Other Adjustments	\$	(615)
18	(D) <u>Provision for Income Taxes</u>		
19	Remove negative income tax expense	\$	32,307
20	(E) <u>Revenue Increase</u>		
21	Increase in revenue required by the Utility to realize a		
22	9.16 % rate of return	\$	83,590
23	(G) <u>Taxes Other Than Income</u>		
24	(2) Regulatory Assessment Fees (RAF's)		
25	Adjust for requested revenue increase (Page B-15)	\$	5,152
26	(H) <u>Provision for Income Taxes</u>		
27	Income taxes (Page C-1)	\$	6,769

Reconciliation of Total Income Tax Provision

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Interim Final
 Historic or Projected

Schedule: C-1 (Interim)
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide a reconciliation between the total operating income tax provision and the currently payable income taxes on operating income for the test year.

Line No.	Description	Ref.	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer
1	Current Tax Expense	C-2(a)	\$ (31,251)	\$ 7,971	\$ (23,279)		\$ 6,769
2	Deferred Income Tax Expense	C-5(a)	8,106	(8,106)	-		-
3	ITC Realized This Year	C-8					
4	ITC Amortization	C-8					
5	(3% ITC and IRC 46(f)(2))						
6	Parent Debt Adjustment	C-9	-	-	-	-	-
7	Total Income Tax Expense		\$ (23,145)	\$ (135)	\$ (23,279)	\$ -	\$ 6,769

Supporting Schedules: C-2, C-5, C-8, C-9
 Recap Schedules: B-1, B-2

State and Federal Income Tax Calculation - Current

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Interim Final
 Historic or Projected

Schedule: C-2 (Interim)
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide the calculation of state and federal income taxes for the test year. Provide detail on adjustments to income taxes and investment tax credits generated.

Line No.		Total Per Books	Utility Adjustments(1)	Utility Adjusted	Water	Sewer
1	Net Utility Operating Income (Sch. B-1 & B-2)	\$ (16,328)	\$ (34,884)	\$ (51,212)	\$ 73,083	\$ 21,871
2	Add: Income Tax Expense Per Books (Sch. B-1)	(32,307)	32,307	-	-	6,769
3	Subtotal	(48,635)	(2,577)	(51,212)	73,083	28,640
4	Less: Interest Charges (Sch. C-3)	10,169	-	10,169	-	10,169
5	Taxable Income Per Books	(58,804)	(2,577)	(61,381)	73,083	18,471
Schedule M Adjustments:						
6	Permanent Differences (From Sch. C-4)	2,190	(2,190)	-	-	-
7	Timing Differences (From Sch. C-5(a))	24,242	(24,242)	-	-	-
8	Total Schedule M Adjustments	26,432	(26,432)	-	-	-
9	Taxable Income Before State Taxes	(83,046)	21,665	(61,381)	73,083	18,471
10	Less: State Income Tax Exemption (\$5,000)		5,000	5,000	-	5,000
11	State Taxable Income	(83,046)	16,665	(66,381)	73,083	13,471
12	State Income Tax (5.5% of Line 11)*	(4,568)	917	(3,651)	4,020	741
13	Emergency Excise Tax					
14	Credits					
15	Current State Income Taxes	(4,568)	917	(3,651)	4,020	741
16	Federal Taxable Income (Line 9 - Line 15)	(78,478)	20,748	(57,730)	69,063	17,730
17	Federal Income Tax Rate	0.34	0.34	0.34	0.34	0.34
18	Federal Income Taxes (Line 16 x Line 17)	(26,683)	7,054	(19,628)	23,481	6,028
19	Less: Investment Tax Credit Realized This Year (Sch. C-8)	-	-	-	-	-
20	Current Federal Inc. Taxes (Line 18 - Line 19)	(26,683)	7,054	(19,628)	23,481	6,028
Summary:						
21	Current State Income Taxes (Line 15)	(4,568)	917	(3,651)	4,020	741
22	Current Federal Income Taxes (Line 20)	(26,683)	7,054	(19,628)	23,481	6,028
23	Total Current Income Tax Expense (To C-1)	\$ (31,251)	\$ 7,971	\$ (23,279)	\$ 27,501	\$ 6,769
24	Note (1) Adjustments zero out negative income tax and Schedule M adjustments so that tax calculated for rate purposes reflects stand alone current tax obligation only Supporting Schedules: B-1,B-2,C-3,C-4,C-5,C-8 Recap Schedules: C-1					

Schedule of Requested Cost of Capital (Interim Rates)
Beginning and End of Year Average

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
Docket No.: 020409-SU
Schedule Year Ended: December 31, 2001
Historic [X] or Projected []

Schedule: D-1 Interim
Page 1 of 1
Preparer: Seidman, F.
Rev. 1, 10/4/02
Subsidiary [] or Consolidated [X]

Explanation: Provide a schedule which calculates the requested Cost of Capital on a beginning and end of year average basis. If a year-end basis is used, submit an additional schedule reflecting year-end calculations.

Line No.		(1) Total Capital	(2) Ratio	(3) Cost Rate	(4) Weighted Cost
1	Long-Term Debt	103,365	43.28 %	8.82 %	3.82 %
2	Short-Term Debt	22,455	9.40	2.54	0.24
3	Preferred Stock				
4	Customer Deposits	8,025	3.36	6.00	0.20
5	Common Equity	104,957	43.96	11.14	4.90
6	Tax Credits - Zero Cost				
7	Accumulated Deferred Income Tax				
8	Other (Explain)				
9	Total	<u>\$ 238,802</u>	<u>100.00 %</u>		<u>9.16 %</u>

10 Note. Cost of Equity based on Order No. PSC-01-2514-FOF-W5. A cost of equity has not previously been set by this Commission.

AFUDC Rate:

A revised discounted monthly AFUDC rate is requested based on the application of the methodology in Rule 25-30.116(3)(a) to the above weighted cost of capital.

Annual AFUDC rate = 9.16 %

Monthly AFUDC rate = 0.732952 %

Rate Schedule

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Water [] or Sewer [X]

Schedule: E-1 Interim
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide a schedule of present and proposed rates. State residential sewer cap, if one exists.

Line No	(1) Class/Meter Size	(2) Present Rates	(3) Interim Rates
1	Residential		
2	All meter sizes	12.00	16.66
3	Gallorage Charge (per 1000 gallons)	2.59	3.59
4	8,000 gallons maximum		
5	Multi-Residential		
6	All meter sizes - per dwelling unit	12.00	16.66
7	Gallorage Charge (per 1000 gallons)	2.59	3.59
8	General Service		
9	5/8" x 3/4"	12.00	16.66
10	1"	30.00	41.64
11	1 1/2"	60.00	83.28
11a	1 1/2" - 15 ERC Restaurant	180.00	249.83
12	2"	96.00	133.24
13	3"	180.00	249.83
14	4"	300.00	416.38
15	6"	600.00	832.75
16	Gallorage Charge (per 1000 gallons)	2.59	3.59
17	Guaranteed Revenue Charge -		
18	per ERC/month	12.00	16.66

Revenue Schedule at Test Year Rates - Proof of Revenue

Florida Public Service Commission

Company: Utilities Inc. of Sandalhaven
 Docket No.: 020409-SU
 Schedule Year Ended: December 31, 2001
 Water [] or Sewer [X]

Schedule: E-2 (Interim)
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 10/4/02

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

(1) Line No.	(5) Class/Meter Size	(7) Total Bills	(8) Total Gallons	(9) Test Year Rates	(10) Test Year Revenue	Proposed Rates	Revenue at Proposed Rates
1	Residential						
2	All meter sizes	8,013		\$ 12.00	\$ 96,166	\$ 16.66	\$ 133,457
3	M Gallons (8,000 gal cap)		17,559	2.59	45,478	3.59	63,120
4	Total Residential	8,013	17,559		\$ 141,634		\$ 196,577
5	Average Bill				\$ 17.68		\$ 24.53
1	Multi - Residential						
2	Dwelling units	1,548		\$ 12.00	\$ 18,576	\$ 16.66	\$ 25,782
3	M Gallons 8,000 gal cap per unit)		4,093	2.59	10,601	3.59	14,713
4	Total Multi-Residential	1,548	4,093		\$ 29,177		\$ 40,495
5	Average Bill				\$ 18.85		\$ 26.16
6	General Service						
7	5/8" X 3/4"	205		12.00	2,460	16.66	3,414
8	M Gallons		2,011	2.59	5,208	3.59	7,229
9	1"	12		30.00	360	41.64	500
10	M Gallons		185	2.59	479	3.59	665
11	1 1/2"	34		60.00	2,040	83.28	2,831
12	M Gallons		974	2.59	2,523	3.59	3,501
	1 1/2" - 15 ERC Restaurant	12		180.00	2,160	249.83	2,998
	M Gallons		1,291	2.59	3,344	3.59	4,641
13	2"	36		96.00	3,456	133.24	4,797
14	M Gallons		503	2.59	1,303	3.59	1,808
15	3"			180.00	-	249.83	-
16	M Gallons			2.59	-	3.59	-
17	4"			300.00	-	416.38	-
18	M Gallons			2.59	-	3.59	-
19	6"			600.00	-	832.75	-
20	M Gallons			2.59	-	3.59	-
23	Total Gen Serv	299	4,964		\$ 23,333		\$ 32,384
24	Average Bill				\$ 78.04		\$ 108.31
25	Miscellaneous service revenues						
26	Guaranteed Revenue Charge	1,778		\$ 12.00	21,340	\$ 16.66	29,618
27	Other				5,392		5,392
28	Total Misc Service Revenues				26,732		35,010
29	Total Annual Revenue				220,876		304,466
30	Total revenue per books/required				221,904		305,495
31	Immaterial difference			-0.46%	(1,028)	-0.34%	(1,029)