

ORIGINAL

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October 8, 2004

Ms. Blanca Bayo, Director  
Division of the Commission Clerk and  
Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

BY FEDERAL EXPRESS

RE: Indiantown Company, Inc.  
Docket No. 040450-WS –  
Correction of MFR Deficiencies

Dear Ms. Bayo:

On behalf of our client, Indiantown Company, Inc., I have enclosed the following revised schedules to the Minimum Filing Requirements as requested in the Staff Deficiency Letter dated September 14, 2004.

- 1. Sixteen (16) copies of revised schedules in Volume I, related to Staff Deficiencies Nos. 3, 4, 10, 11, 12, 13, 14, 15, 16, and 17. 10920-04
- 2. Two (2) copies of revised pages for Volume II, the consolidated billing analysis. 10921-04

CMP \_\_\_\_\_  
 COM 5 3. Two (2) copies of revised and additional engineering information responding to Staff  
 CTR \_\_\_\_\_ Deficiencies Nos. 1, 2, 6, 7, 8, and 9. 10922-04  
 ECR \_\_\_\_\_ Staff Deficiency No. 5 relates to a detailed map per Rule 25-30.440(1)(a). This map will be filed  
 GCL \_\_\_\_\_ early next week by the Company's Attorney, David B. Erwin.

OPC \_\_\_\_\_ Please contact me if you have questions or desire any further information.

MMS \_\_\_\_\_

Very truly yours,

RCA \_\_\_\_\_

CRONIN, JACKSON, NIXON & WILSON

SCR \_\_\_\_\_

SEC 1 \_\_\_\_\_

Robert C. Nixon

OTH (over letter) \_\_\_\_\_  
OPC

cc: Jeffrey Leslie, w/enclosures  
Mike Abramson, w/enclosures  
Jim Hewitt, w/enclosures  
David Erwin, w/enclosures

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FPSC-COMMISSION CLERK

CLASS B  
WATER AND/OR WASTEWATER UTILITIES

FINANCIAL, RATE  
AND ENGINEERING  
MINIMUM FILING  
REQUIREMENTS

OF

Company: Indiantown Company, Inc.

Exact Legal Name of Utility

VOLUME I



FOR THE

Test Year Ended: December 31, 2003

Revised

DOCUMENT NUMBER-DATE

10920 OCT 11 03

FPSC-COMMISSION CLERK

Comparative Balance Sheet - Assets

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule: A-18  
 Page 1 of 3  
 Preparer: C.J.N & W

Explanation: Provide a balance sheet for years requested. Provide same for historical base or intermediate years, if not already shown.

Line No.	(1) ASSETS	(2) Test Year Ended 12/31/03	(3) Historic Year Ended 12/31/02
1	Utility Plant in Service	\$ 7,515,638	\$ 7,473,014
2	Construction Work in Progress	31,185	3,686
3	Other Utility Plant Adjustments		
4	<b>GROSS UTILITY PLANT</b>	<b>7,546,823</b>	<b>7,476,700</b>
5	Less: Accumulated Depreciation	<u>(3,940,467)</u>	<u>(3,698,825)</u>
6	<b>NET UTILITY PLANT</b>	<b><u>3,606,356</u></b>	<b><u>3,777,875</u></b>
7	Cash	334,746	178,285
8	Accounts Rec'b - trade	347,416	269,001
9	Notes Receivable		
10	Accts. Rec'b - Assoc. Cos.	(9,484)	69,108
11	Notes Rec'b - Assoc. Cos.	2,069,533	1,992,404
12	Accts. Rec'b - Other	7,827	20,050
13	Accrued Interest Rec'b	387,212	464,341
14	Allowance for Bad Debts	(8,756)	(6,705)
15	Materials & Supplies	11,036	21,872
16	Prepayments	125,920	169,142
17	Investments	633,247	633,247
18	Miscellaneous Current & Accrued Assets	<u>12,789</u>	<u>7,790</u>
19	<b>TOTAL CURRENT ASSETS</b>	<b><u>3,911,486</u></b>	<b><u>3,818,535</u></b>
20	Net nonutility property	146,802	118,509
21	Unamortized Debt Discount & Exp.	578	951
22	Prelim. Survey & Investigation Charges		
23	Clearing Accounts		
24	Deferred Rate Case Expense	28,715	46,138
25	Other Miscellaneous Deferred Debits		
26	Accum. Deferred Income Taxes	343,442	329,768
27	Refuse, Rolloff and Other Indiantown		
28	Company NonUtility Assets		
29	<b>TOTAL OTHER ASSETS</b>	<b><u>519,537</u></b>	<b><u>495,366</u></b>
30	<b>TOTAL ASSETS</b>	<b><u>\$ 8,037,379</u></b>	<b><u>\$ 8,091,776</u></b>

31 Note: Reclassification of Indiantown Company and other nonutility assets is necessary so that the current and prior  
 32 test years clearly distinguish utility assets from non-utility assets. See Pages 27(a) and 27(b) for reconciliation of  
 33 annual report to above balances.

Comparative Balance Sheet - Assets

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule: A-18  
 Page 2 of 3  
 Preparer: C.J.N & W

Explanation: Provide a balance sheet for years requested. Provide same for historical base or intermediate years, if not already shown.

Line No.	(1) ASSETS	(2) Test Year Ended 12/31/03	(3) Reclassification Adjustments	(4) Reclassified 12/31/03
1	Utility Plant in Service	\$ 7,515,641	\$ (3)	\$ 7,515,638
2	Construction Work in Progress	31,186	(1)	31,185
3	Other Utility Plant Adjustments			
4	<b>GROSS UTILITY PLANT</b>	<u>7,546,827</u>	(4)	<u>7,546,823</u>
5	Less: Accumulated Depreciation	<u>(3,940,467)</u>	-	<u>(3,940,467)</u>
6	<b>NET UTILITY PLANT</b>	<u>3,606,360</u>	(4)	<u>3,606,356</u>
7	Cash		334,746	334,746
8	Accounts Rec'b - trade	160,862	186,554	347,416
9	Notes Receivable		-	
10	Accts. Rec'b - Assoc. Cos.		(9,484)	(9,484)
11	Notes Rec'b - Assoc. Cos.		2,069,533	2,069,533
12	Accts. Rec'b - Other		7,827	7,827
13	Accrued Interest Rec'b		387,212	387,212
14	Allowance for Bad Debts		(8,756)	(8,756)
15	Materials & Supplies	4,511	6,525	11,036
16	Prepayments	64,491	61,429	125,920
17	Investments		633,247	633,247
18	Miscellaneous Current & Accrued Assets	<u>5,940</u>	<u>6,849</u>	<u>12,789</u>
19	<b>TOTAL CURRENT ASSETS</b>	<u>235,804</u>	<u>3,675,682</u>	<u>3,911,486</u>
20	Net nonutility property		146,802	146,802
21	Unamortized Debt Discount & Exp.	578	-	578
22	Prelim. Survey & Investigation Charges		-	
23	Clearing Accounts		-	
24	Deferred Rate Case Expense	23,070	5,645	28,715
25	Other Miscellaneous Deferred Debits		-	
26	Accum. Deferred Income Taxes	312,786	30,656	343,442
27	Refuse, Rolloff and Other Indiantown			
28	Company NonUtility Assets	<u>3,858,781</u>	<u>(3,858,781)</u>	
29	<b>TOTAL OTHER ASSETS</b>	<u>4,195,215</u>	<u>(3,675,678)</u>	<u>519,537</u>
30	<b>TOTAL ASSETS</b>	<u>\$ 8,037,379</u>	<u>\$ -</u>	<u>\$ 8,037,379</u>

31 Note: Reclassification of Indiantown Company and other nonutility assets is necessary so that the current and prior  
 32 test years clearly distinguish utility assets from non-utility assets.

Comparative Balance Sheet - Assets

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule: A-18  
 Page 3 of 3  
 Preparer: CJN & W

Explanation: Provide a balance sheet for years requested. Provide same for historical base or intermediate years, if not already shown.

Line No.	(1) ASSETS	(2) Historic Year Ended 12/31/02	(3) Reclassification Adjustments	(4) Reclassified 12/31/02
1	Utility Plant in Service	\$ 7,473,016	\$ (2)	\$ 7,473,014
2	Construction Work in Progress	3,686	-	3,686
3	Other Utility Plant Adjustments			
4	<b>GROSS UTILITY PLANT</b>	<b>7,476,702</b>	<b>(2)</b>	<b>7,476,700</b>
5	Less: Accumulated Depreciation	<u>(3,698,825)</u>	<u>-</u>	<u>(3,698,825)</u>
6	<b>NET UTILITY PLANT</b>	<b><u>3,777,877</u></b>	<b>(2)</b>	<b><u>3,777,875</u></b>
7	Cash		178,285	178,285
8	Accounts Rec'b - trade	133,979	135,022	269,001
9	Notes Receivable			
10	Accts. Rec'b - Assoc. Cos.		69,108	69,108
11	Notes Rec'b - Assoc. Cos.		1,992,404	1,992,404
12	Accts. Rec'b - Other		20,050	20,050
13	Accrued Interest Rec'b		464,341	464,341
14	Allowance for Bad Debts		(6,705)	(6,705)
15	Materials & Supplies	15,547	6,325	21,872
16	Prepayments	94,179	74,963	169,142
17	Investments		633,247	633,247
18	Miscellaneous Current & Accrued Assets	<u>5,940</u>	<u>1,850</u>	<u>7,790</u>
19	<b>TOTAL CURRENT ASSETS</b>	<b><u>249,645</u></b>	<b><u>3,568,890</u></b>	<b><u>3,818,535</u></b>
20	Net nonutility property		118,509	118,509
21	Unamortized Debt Discount & Exp.	908	43	951
22	Prelim. Survey & Investigation Charges		-	-
23	Clearing Accounts		-	-
24	Deferred Rate Case Expense	46,139	(1)	46,138
25	Other Miscellaneous Deferred Debits		-	-
26	Accum. Deferred Income Taxes	328,364	1,404	329,768
27	Refuse, Rolloff and Other Indiantown			
28	Company NonUtility Assets	<u>3,688,843</u>	<u>(3,688,843)</u>	
29	<b>TOTAL OTHER ASSETS</b>	<b><u>4,064,254</u></b>	<b><u>(3,568,888)</u></b>	<b><u>495,366</u></b>
30	<b>TOTAL ASSETS</b>	<b><u>\$ 8,091,776</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 8,091,776</u></b>

31 Note: Reclassification of Indiantown Company and other nonutility assets is necessary so that the current and prior  
 32 test years clearly distinguish utility assets from non-utility assets.

Comparative Balance Sheet - Equity Capital & Liabilities

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule: A-19  
 Page 1 of 3  
 Preparer: CJN & W

Explanation: Provide a balance sheet for years requested. Provide same for historical base or intermediate years, if not already shown.

Line No.	(1)	(2) Test Year Ended 12/31/03	(3) Historic Year Ended 12/31/02
	<b>EQUITY CAPITAL &amp; LIABILITIES</b>		
1	Common Stock Issued	\$ 100	\$ 100
2	Preferred Stock Issued		
3	Additional Paid in Capital	5,178,175	5,178,175
4	Retained Earnings	(464,312)	(264,376)
5	Other Equity Capital		
6	<b>TOTAL EQUITY CAPITAL</b>	<u>4,713,963</u>	<u>4,913,899</u>
7	Bonds		
8	Reacquired Bonds		
9	Advances From Associated Companies		
10	Other Long-Term Debt	<u>291,345</u>	<u>299,137</u>
11	<b>TOTAL LONG-TERM DEBT</b>	<u>291,345</u>	<u>299,137</u>
12	Accounts Payable	178,695	155,519
13	Notes Payable	60,734	
14	Notes & Accounts Payable - Assoc. Cos.	1,565	
15	Customer Deposits	46,705	46,885
16	Accrued Taxes	185,935	113,378
17	Current Portion Long Term Debt	8,416	17,533
18	Accrued Dividends		
19	Misc. Current and Accrued Liabilities	<u>8</u>	<u>(83)</u>
20	<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<u>482,058</u>	<u>333,232</u>
21	Advances for Construction	400,000	400,000
22	Prepaid Capacity Charges		
23	Accum. Deferred ITC's		
24	Operating Reserves		
25	<b>TOTAL DEFERRED CREDITS &amp; OPER. RESERVES</b>	<u>400,000</u>	<u>400,000</u>
26	Contributions in Aid of Construction	3,536,148	3,426,216
27	Less: Accum. Amortization of CIAC	(1,744,848)	(1,625,474)
28	Accumulated Deferred Income Taxes	358,713	344,766
29	Refuse, Rolloff and Other Indiantown Company		
30	NonUtility Liabilities		
31	<b>Total Equity Capital and Liabilities</b>	<u>\$ 8,037,379</u>	<u>\$ 8,091,776</u>

32 Note: Reclassification of Indiantown Company and other nonutility liabilities is necessary so that the current and prior  
 33 test years clearly distinguish utility liabilities from non-utility liabilities. See Pages 28(a) and 28(b) for reconciliation of  
 34 annual report to above balances.

Comparative Balance Sheet - Equity Capital & Liabilities

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule: A-19  
 Page 2 of 3  
 Preparer: C.J.N & W

Explanation: Provide a balance sheet for years requested. Provide same for historical base or intermediate years, if not already shown.

Line No.	(1) EQUITY CAPITAL & LIABILITIES	(2) Test Year Ended 12/31/03	(3) Reclassification Adjustments	(4) Reclassified 12/31/03
1	Common Stock Issued	\$ 100	\$ -	\$ 100
2	Preferred Stock Issued			
3	Additional Paid in Capital	5,178,175	-	5,178,175
4	Retained Earnings	(464,312)	-	(464,312)
5	Other Equity Capital			
6	<b>TOTAL EQUITY CAPITAL</b>	<u>4,713,963</u>	<u>-</u>	<u>4,713,963</u>
7	Bonds			
8	Reacquired Bonds			
9	Advances From Associated Companies			
10	Other Long-Term Debt	<u>299,761</u>	<u>(8,416)</u>	<u>291,345</u>
11	<b>TOTAL LONG-TERM DEBT</b>	<u>299,761</u>	<u>(8,416)</u>	<u>291,345</u>
12	Accounts Payable		178,695	178,695
13	Notes Payable		60,733	60,733
14	Notes & Accounts Payable - Assoc. Cos.		1,565	1,565
15	Customer Deposits	46,705		46,705
16	Accrued Taxes	67,672	118,264	185,936
17	Current Portion Long Term Debt		8,416	8,416
18	Accrued Dividends			
19	Misc. Current and Accrued Liabilities		<u>8</u>	<u>8</u>
20	<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<u>114,377</u>	<u>367,681</u>	<u>482,058</u>
21	Advances for Construction		400,000	400,000
22	Prepaid Capacity Charges			
23	Accum. Deferred ITC's			
24	Operating Reserves			
25	<b>TOTAL DEFERRED CREDITS &amp; OPER. RESERVES</b>		<u>400,000</u>	<u>400,000</u>
26	Contributions in Aid of Construction	3,936,148	(400,000)	3,536,148
27	Less: Accum. Amortization of CIAC	(1,744,847)	(1)	(1,744,848)
28	Accumulated Deferred Income Taxes	430,545	(71,832)	358,713
29	Refuse, Rolloff and Other Indiantown Company		-	
30	NonUtility Liabilities	<u>287,432</u>	<u>(287,432)</u>	
31	<b>Total Equity Capital and Liabilities</b>	<u>\$ 8,037,379</u>	<u>\$ -</u>	<u>\$ 8,037,379</u>

32 Note: Reclassification of Indiantown Company and other nonutility liabilities is necessary so that the current and prior  
 33 test years clearly distinguish utility liabilities from non-utility liabilities.

Company: Indiantown Company, Inc.

Docket No.: 040450-WS

Test Year Ended: December 31, 2003

Schedule: A-19

Page 3 of 3

Preparer: CJN &amp; W

Explanation: Provide a balance sheet for years requested. Provide same for historical base or intermediate years, if not already shown.

Line No.	(1) EQUITY CAPITAL & LIABILITIES	(2) Historic Year Ended 12/31/02	(3) Reclassification Adjustments	(4) Reclassified 12/31/02
1	Common Stock Issued	\$ 100	\$	\$ 100
2	Preferred Stock Issued			
3	Additional Paid in Capital	5,178,175		5,178,175
4	Retained Earnings	(264,375)	(1)	(264,376)
5	Other Equity Capital			
6	<b>TOTAL EQUITY CAPITAL</b>	<u>4,913,900</u>	<u>(1)</u>	<u>4,913,899</u>
7	Bonds			
8	Reacquired Bonds			
9	Advances From Associated Companies			
10	Other Long-Term Debt	<u>306,666</u>	<u>(7,529)</u>	<u>299,137</u>
11	<b>TOTAL LONG-TERM DEBT</b>	<u>306,666</u>	<u>(7,529)</u>	<u>299,137</u>
12	Accounts Payable		155,519	155,519
13	Notes Payable			
14	Notes & Accounts Payable - Assoc. Cos.			
15	Customer Deposits	46,885	-	46,885
16	Accrued Taxes	65,788	47,590	113,378
17	Current Portion Long Term Debt		17,533	17,533
18	Accrued Dividends			
19	Misc. Current and Accrued Liabilities		<u>(83)</u>	<u>(83)</u>
20	<b>TOTAL CURRENT &amp; ACCRUED LIABILITIES</b>	<u>112,673</u>	<u>220,559</u>	<u>333,232</u>
21	Advances for Construction		400,000	400,000
22	Prepaid Capacity Charges			
23	Accum. Deferred ITC's		-	
24	Operating Reserves			
25	<b>TOTAL DEFERRED CREDITS &amp; OPER. RESERVES</b>		<u>400,000</u>	<u>400,000</u>
26	Contributions in Aid of Construction	3,826,217	(400,001)	3,426,216
27	Less: Accum. Amortization of CIAC	(1,625,474)	-	(1,625,474)
28	Accumulated Deferred Income Taxes	423,624	(78,858)	344,766
29	Refuse, Rolloff and Other Indiantown Company		-	
30	NonUtility Liabilities	<u>134,170</u>	<u>(134,170)</u>	
31	<b>Total Equity Capital and Liabilities</b>	<u>\$ 8,091,776</u>	<u>\$</u>	<u>\$ 8,091,776</u>

32 Note: Reclassification of Indiantown Company and other nonutility liabilities is necessary so that the current and prior  
 33 test years clearly distinguish utility liabilities from non-utility liabilities.



Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003  
 Interim [ ] Final [X]  
 Historic [X] or Projected [ ]

Schedule: B-1  
 Page 1 of 1  
 Preparer: CJN & W

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	\$ 618,125	\$ (6,876) (A)	\$ 611,249	\$ 189,765 (E)	\$ 801,014	B-4, E-13
2	Operation & Maintenance	607,870	15,750 (B)	623,620		623,620	B-5, B-3
3	Depreciation, net of CIAC Amort.	31,006	8,871 (C)	39,877		39,877	B-13, B-3
4	Amortization						B-3
5	Taxes Other Than Income	76,969	(1,331) (D)	75,638	8,639 (F)	84,277	B-15, B-3
6	Provision for Income Taxes (1)	18,223	-	18,223	37 (G)	18,260	C-1, B-3
7	OPERATING EXPENSES	734,068	23,290	757,358	8,676	766,034	
8	NET OPERATING INCOME	\$ (115,943)	\$ (30,166)	\$ (146,109)	\$ 181,089	\$ 34,980	
9	RATE BASE	\$ 428,476		\$ 389,971		\$ 389,971	
10	RATE OF RETURN	-	%	-	%	8.97	%
11	Note (1): The book provision for income taxes consists solely of deferred income taxes required by Internal Revenue Code (IRC) Section 168						

Schedule of Water Net Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003  
 Interim [X] Final [ ]  
 Historic [X] or Projected [ ]

Schedule: B-1 (a)  
 Page 1 of 1  
 Preparer: C.J.N. & W

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	\$ 618,125	\$ (6,876) (A)	\$ 611,249	\$ 124,838 (E)	\$ 736,087	B-4, E-13
2	Operation & Maintenance	607,870	(36,020) (B)	571,850		571,850	B-5, B-3(a)
3	Depreciation, net of CIAC Amort.	31,006	6,913 (C)	37,919		37,919	B-13, B-3(a)
4	Amortization						B-3(a)
5	Taxes Other Than Income	76,969	(309) (D)	76,660	5,717 (F)	82,377	B-15, B-3(a)
6	Provision for Income Taxes (1)	18,223	-	18,223	(2,506) (G)	15,717	C-1(a), B-3(a)
7	OPERATING EXPENSES	734,068	(29,416)	704,652	3,211	707,863	
8	NET OPERATING INCOME	\$ (115,943)	\$ 22,540	\$ (93,403)	\$ 121,627	\$ 28,224	
9	RATE BASE	\$ 428,476		\$ 341,525		\$ 341,525	
10	RATE OF RETURN	-	%	-	%	8.26	%
11	Note (1): The book provision for income taxes consists solely of deferred income taxes required by Internal Revenue Code (IRC) Section 168						

Schedule of Wastewater Net Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003  
 Interim [ ] Final [X]  
 Historic [X] or Projected [ ]

Schedule: B-2  
 Page 1 of 1  
 Preparer: C.J.N & W

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	\$ 885,706	\$ (14,654) (A)	\$ 871,052	\$ 338,771 (E)	\$ 1,209,823	B-4, E-13
2	Operation & Maintenance	833,329	(4,782) (B)	828,547		828,547	B-6, B-3
3	Depreciation, net of CIAC Amort.	91,263	30,786 (C)	122,049		122,049	B-14, B-3
4	Amortization						B-3
5	Taxes Other Than Income	103,570	539 (D)	104,109	15,270 (F)	119,379	B-15, B-3
6	Provision for Income Taxes	4,276		4,276	21,252 (G)	25,528	C-1, B-3
7	OPERATING EXPENSES	1,032,438	26,543	1,058,981	36,522	1,095,503	
8	NET OPERATING INCOME	\$ (146,732)	\$ (41,197)	\$ (187,929)	\$ 302,249	\$ 114,320	
9	RATE BASE	\$ 1,230,333		\$ 1,274,475		\$ 1,274,475	
10	RATE OF RETURN	-	%	-	%	8.97	%

Schedule of Wastewater Net Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003  
 Interim  Final   
 Historic  or Projected

Schedule: B-2 (a)  
 Page 1 of 1  
 Preparer: C.J.N & W

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	\$ 885,706	\$ (14,654) (A)	\$ 871,052	\$ 242,419 (E)	\$ 1,113,471	B-4, E-13
2	Operation & Maintenance	833,329	(56,749) (B)	776,580		776,580	B-6, B-3
3	Depreciation, net of CIAC Amort.	91,263	25,831 (C)	117,094		117,094	B-14, B-3
4	Amortization						B-3(a)
5	Taxes Other Than Income	103,570	(659) (D)	102,911	10,934 (F)	113,845	B-15, B-3(a)
6	Provision for Income Taxes	4,276	-	4,276	11,985 (G)	16,261	C-1, B-3(a)
7	OPERATING EXPENSES	1,032,438	(31,577)	1,000,861	22,919	1,023,780	
8	NET OPERATING INCOME	\$ (146,732)	\$ 16,923	\$ (129,809)	\$ 219,500	\$ 89,691	
9	RATE BASE	\$ 1,230,333		\$ 1,085,326		\$ 1,085,326	
10	RATE OF RETURN	--	%	--	%	8.26	%

## Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Schedule Year Ended: December 31, 2003  
 Interim [ ] Final [X]  
 Historic [X] or Projected [ ]

Schedule: B-3  
 Page 1 of 4  
 Docket No.: 040450-WS  
 Preparer: CJN & W

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>Test Year Revenue</u>		
2	Gallons over-billed per Schedule E-2, Page 3 of 3 (000)	(4,494)	(3,338)
3	Test year gallonage rate	\$ 1.53	\$ 4.39
4	Adjustment required	\$ (6,876)	\$ (14,654)
5	(B) <u>Operations &amp; Maintenance (O &amp; M) Expenses</u>		
	<u>1) Adjustments and reclassifications to test year expenses</u>		
6	<u>a) Reclassifications between O&amp;M accounts</u>		
7	1) Reclassify vacation/sick pay from benefits to salaries (601/701)	\$ 20,441	\$ 25,159
8	2) Reclassify vacation/sick pay from benefits to salaries (604/704)	(20,441)	(25,159)
9	3) Reclassify telephone expense from Purchased Power to		
10	Miscellaneous Expense (615/715)	(7,145)	(6,462)
11	4) Reclassify repairs from accounting to Contract Services-		
12	Other (632)	(9,229)	
13	5) Reclassify mowing from Contract Services-Management to		
14	Contract Services-Other	(13,084)	(17,080)
15	6) Reclassify Contractual Services from Contract Services-Testing		
16	to Contract Services-Other (635/735)	(594)	(3,963)
17	7) Reclassify Oxidation Lagoon Cleaning from Contract Services		
18	Testing to Contract Services-Other (735)		(16,000)
19	8) Reclassify repairs from accounting to Contract Services-		
20	Other (636)	9,229	
21	9) Reclassify mowing from Contract Services-Management to		
22	Contract Services-Other (636/736)	13,084	17,080
23	10) Reclassify Contractual Services from Contract Services-Testing		
24	to Contract Services-Other (635/735)	594	3,963
25	11) Reclassify Oxidation Lagoon Cleaning from Contract Services		
26	Testing to Contract Services-Other (736)		16,000
27	12) Reclassify liability insurance from Insurance-Other to Insurance-		
28	General Liability (657/757)	3,727	29,480
29	13) Reclassify liability insurance from Insurance-Other to Insurance-		
30	General Liability (659/759)	(3,727)	(29,480)
31	14) Reclassify telephone expense from Purchased Power to		
32	Miscellaneous Expense (675/775)	7,145	6,462
33	Total reclassification adjustments		
34	<u>b) Adjustments to test year expenses</u>		
35	1) Adjust management fees to allocation rates per Order (634, 734)	(36,020)	(36,037)
36	2) Adjust sewer pond lease to amount allowed in prior Order (741)		(20,712)
37	Total adjustments to test year expenses	(36,020)	(56,749)

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Schedule Year Ended: December 31, 2003  
 Interim [ ] Final [X]  
 Historic [X] or Projected [ ]

Schedule: B-3  
 Page 2 of 4  
 Docket No.: 040450-WS  
 Preparer: CJN & W

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	<u>2) Proforma adjustments to O&amp;M expenses</u>		
2	a) Salaries & Wages (601, 701)		
3	1) Adjust salaries to reflect raise implemented in 1/04 and		
4	workforce reduction	(9,936)	(8,983)
5	b) Pension and Benefits (604, 704)		
6	1) Annualize change in Health Insurance	28,964	21,298
7	2) Annualize change in Dental Insurance	620	(115)
8	3) Annualize change in Disability insurance	152	(263)
9	4) Annualize change in 401k matching contribution	(5)	(212)
10	Net adjustment	29,731	20,708
11	c) Other Expenses		
12	1) Annualize 2004 management fees (634, 734)	32,192	32,192
13	2) Annual cost of weed control (736)		3,720
14	3) Amortization of painting inside of sewer tanks (736)		14,000
15	4) Annualized cost of sludge hauling by third party sludge hauler	-	(10,318)
16	Net adjustment	32,192	39,594
17	d) Amortization of rate case expense (666, 766)		
18	Amortization per Schedule B-10	11,936	11,564
19	Less: Test year amortization	(12,153)	(10,916)
20	Net rate case amortization	(217)	648
21	Total adjustments to O & M Expense	\$ 15,750	\$ (4,782)
22	(C) <u>Depreciation Expense</u>		
23	1) Adjust depreciation expense for group depreciation		
24	a) Wells & springs	\$ 20	
25	b) Pumping equipment	430	\$ 961
26	c) Structures & improvements	53	(15)
27	d) Treatment equipment	556	3,140
28	e) Mains	67	(39)
29	f) Meters	877	
30	g) Office furniture & equipment	(84)	40
31	h) Transportation equipment	(5,089)	506

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Schedule Year Ended: December 31, 2003  
 Interim [ ] Final [X]  
 Historic [X] or Projected [ ]

Schedule: B-3  
 Page 3 of 4  
 Docket No.: 040450-WS  
 Preparer: C.J.N & W

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	(C) <u>Depreciation Expense (Continued)</u>		
2	i) Tools shop and garage equipment	1,031	42
3	j) Laboratory equipment		64
4	k) Communication equipment	278	278
5	l) Other tangible plant	13,253	1,789
6	Total adjustment for guideline rates	11,392	6,766
7	2) Adjust CIAC amortization expense for change in composite		
8	rate for group depreciation calculation	(4,479)	19,065
9	3) Proforma depreciation on assets per Schedule A-3		
10	a) Security Camera (304.4)	91	
11	b) Pave water plant parking lot (Completed 4/14/04) (304.4)	82	
12	c) Security screen over filters & screens (completed 5/7/04) (320.3)	317	
13	d) Purchase 2 new trucks (completed 12/31/03) (341.5, 391.7)	1,468	1,468
14	e) Generator for sewer plant (355.4)		1,727
15	f) Relocate Jefferson Street lift station (370.3)		1,500
16	g) Reline 335' 10" sewer line (Completed 4/04) (361.2)		260
17	Total proforma depreciation adjustment	1,958	4,955
18	Total Depreciation expense adjustments	\$ 8,871	\$ 30,786
19	(D) <u>Taxes Other Than Income</u>		
20	1) Payroll Taxes		
21	Total decrease in salaries per Adjustment (B)(2)(a) (above)	\$ (9,936)	\$ (8,983)
22	Payroll tax rate	0.0765	0.0765
23	Total decrease in payroll taxes	(760)	(687)
24	2) Regulatory Assessment Fees (RAF's)		
25	RAF's associated with Adjustment (A) X 4.5%	(309)	(659)
26	(3) Property taxes		
27	A) Total additional plant per A-3	37,603	179,781
28	B) Total depreciation adjustments per A-3	(34,997)	(60,128)
29	C) Remove plant not tangible tax		
30	1) New Truck (Purchased 1/04)	(17,613)	(17,613)
31	D) Add depreciation on plant not tangible tax		
32	1) New Truck (Purchased 1/04)	734	734

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Schedule Year Ended: December 31, 2003  
 Interim [ ] Final [X]  
 Historic [X] or Projected [ ]

Schedule: B-3  
 Page 4 of 4  
 Docket No.: 040450-WS  
 Preparer: CJN & W

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	<u>(D) Taxes Other Than Income (Continued)</u>		
2	(3) Property taxes (Continued)		
3	Net (decrease) increase in plant for tangible tax	(14,273)	102,774
4	Martin County millage rate	<u>18.3380</u>	<u>18.3380</u>
5	Total increase in tangible taxes	<u>(262)</u>	<u>1,885</u>
6	Total increase in Taxes Other Than Income	<u>\$ (1,331)</u>	<u>\$ 539</u>
7	<u>(E) Revenue Increase</u>		
8	Increase in revenue required by the Utility to realize a		
9	8.97 % rate of return	<u>\$ 189,765</u>	<u>\$ 338,771</u>
10	<u>(F) Taxes Other Than Income</u>		
11	<u>(1) Regulatory Assessment Fees (RAF's)</u>		
12	Total revenue requested	\$ 801,014	\$ 1,209,823
13	RAF rate	<u>0.045</u>	<u>0.045</u>
14	Total RAF's	36,046	54,442
15	Adjusted test year RAF's	<u>(27,407)</u>	<u>(39,172)</u>
16	Adjustment required	<u>\$ 8,639</u>	<u>\$ 15,270</u>
17	<u>(G) Provision for Income Taxes</u>		
18	Deferred tax per C-1	\$ 34,564	\$ 23,673
19	Test year deferred income taxes	<u>(18,223)</u>	<u>(4,276)</u>
20	Net change in deferred taxes	16,341	19,397
21	Income taxes per C-1	(14,731)	6,994
22	Parent debt adjustment	<u>(1,573)</u>	<u>(5,139)</u>
23	Income tax adjustment	<u>\$ 37</u>	<u>\$ 21,252</u>



## Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Schedule Year Ended: December 31, 2003  
 Interim [X] Final [ ]  
 Historic [X] or Projected [ ]

Schedule: B-3 (a)  
 Page 1 of 3  
 Docket No.: 040450-WS  
 Preparer: CJN & W

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>Test Year Revenue</u>		
2	Gallons over-billed per Schedule E-2, Page 3 of 3 (000)	(4,494)	(3,338)
3	Test year gallonage rate	\$ 1.53	\$ 4.39
4	Adjustment required	\$ (6,876)	\$ (14,654)
5 (B)	<u>Operations &amp; Maintenance (O &amp; M) Expenses</u>		
	<u>1) Adjustments and reclassifications to test year expenses</u>		
	<u>a) Reclassifications between O&amp;M accounts</u>		
6			
7	1) Reclassify vacation/sick pay from benefits to salaries (601/701)	\$ 20,441	\$ 25,159
8	2) Reclassify vacation/sick pay from benefits to salaries (604/704)	(20,441)	(25,159)
9	3) Reclassify telephone expense from Purchased Power to		
10	Miscellaneous Expense (615/715)	(7,145)	(6,462)
11	4) Reclassify repairs from accounting to Contract Services-		
12	Other (632)	(9,229)	
13	5) Reclassify mowing from Contract Services-Management to		
14	Contract Services-Other	(13,084)	(17,080)
15	6) Reclassify Contractual Services from Contract Services-Testing		
16	to Contract Services-Other (635/735)	(594)	(3,963)
17	7) Reclassify Oxidation Lagoon Cleaning from Contract Services		
18	Testing to Contract Services-Other (735)		(16,000)
19	8) Reclassify repairs from accounting to Contract Services-		
20	Other (636)	9,229	
21	9) Reclassify mowing from Contract Services-Management to		
22	Contract Services-Other (636/736)	13,084	17,080
23	10) Reclassify Contractual Services from Contract Services-Testing		
24	to Contract Services-Other (635/735)	594	3,963
25	11) Reclassify Oxidation Lagoon Cleaning from Contract Services		
26	Testing to Contract Services-Other (736)		16,000
27	12) Reclassify liability insurance from Insurance-Other to Insurance-		
28	General Liability (657/757)	3,727	29,480
29	13) Reclassify liability insurance from Insurance-Other to Insurance-		
30	General Liability (659/759)	(3,727)	(29,480)
31	14) Reclassify telephone expense from Purchased Power to		
32	Miscellaneous Expense (675/775)	7,145	6,462
33	Total reclassification adjustments	-	-
34	<u>b) Adjustments to test year expenses</u>		
35	1) Adjust management fees to allocation rates per Order (634, 734)	(36,020)	(36,037)
36	2) Adjust sewer pond lease to amount allowed in prior Order (741)		(20,712)
37	Total adjustments to test year expenses	\$ (36,020)	\$ (56,749)

## Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Schedule Year Ended: December 31, 2003  
 Interim [X] Final [ ]  
 Historic [X] or Projected [ ]

Schedule: B-3 (a)  
 Page 2 of 3  
 Docket No.: 040450-WS  
 Preparer: CJN & W

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	(C) <u>Depreciation Expense</u>		
2	1) Adjust depreciation expense for group depreciation		
3	a) Wells & springs	\$ 20	
4	b) Pumping equipment	430	\$ 961
5	c) Structures & improvements	53	(15)
6	d) Treatment equipment	556	3,140
7	e) Mains	67	(39)
8	f) Meters	877	
9	g) Office furniture & equipment	(84)	40
10	h) Transportation equipment	(5,089)	506
11	i) Tools shop and garage equipment	1,031	42
12	j) Laboratory equipment		64
13	k) Communication equipment	278	278
14	l) Other tangible plant	13,253	1,789
15	2) Adjust CIAC amortization expense for change in composite		
16	rate for group depreciation calculation	<u>(4,479)</u>	<u>19,065</u>
17	Total Depreciation expense adjustments	<u>\$ 6,913</u>	<u>\$ 25,831</u>
18	(D) <u>Taxes Other Than Income</u>		
19	(2) <u>Regulatory Assessment Fees (RAF's)</u>		
20	RAF's associated with Adjustment (A) X 4.5%	<u>\$ (309)</u>	<u>\$ (659)</u>
21	(E) <u>Interim Revenue Increase</u>		
22	Interim increase in revenue required by the Utility to realize a		
23	8.26 % rate of return	<u>\$ 124,838</u>	<u>\$ 242,419</u>
24	(F) <u>Taxes Other Than Income</u>		
25	Regulatory Assessment Fees (RAF's)		
26	Total revenue requested	\$ 736,087	\$ 1,113,471
27	RAF rate	<u>0.045</u>	<u>0.045</u>
28	Total RAF's	33,124	50,106
29	Adjusted test year RAF's	<u>(27,407)</u>	<u>(39,172)</u>
30	Adjustment required	<u>\$ 5,717</u>	<u>\$ 10,934</u>

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Schedule Year Ended: December 31, 2003  
 Interim  Final   
 Historic  or Projected

Schedule: B-3 (a)  
 Page 3 of 3  
 Docket No.: 040450-WS  
 Preparer: CJK & W

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	(G) <u>Provision for Income Taxes</u>		
2	Deferred tax per C-1(a)	\$ 18,205	\$ 4,295
3	Test year deferred income taxes	<u>(18,223)</u>	<u>(4,276)</u>
4	Net change in deferred taxes	(18)	19
5	Income taxes per C-1(a)	(915)	17,105
6	Parent debt adjustment	<u>(1,573)</u>	<u>(5,139)</u>
7	Income tax adjustment	<u>\$ (2,506)</u>	<u>\$ 11,985</u>

Operation & Maintenance Expense Comparison - Water

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule: B-7  
 Page 1 of 1  
 Preparer: CJN & W

Explanation: Complete the following comparison of the applicant's current and prior test year O&M expenses before this Commission. Provide an explanation of all differences which are not attributable to the change in customer growth and the CPI-U. If the applicant has not had a previous rate case, use the year 5 years prior to the test year for comparison. Provide an additional schedule, if necessary, to explain differences.

42 (Revised)

Line No.	(1) Account No. and Name	(2) Prior TY 06/30/99	(3) Current TY 12/31/03	(4) TY Adj.'s per B-3(a)	(5) Adjusted TY 12/31/03	(6) Proforma Adj per B-3	(7) Proforma TY 12/31/03	(8) \$ Difference	(9) % Difference	(10) Explanation
1	601 Salaries & Wages - Employees	\$ 150,961	\$ 171,565	\$ 20,441	\$ 192,006	\$ (9,936)	\$ 182,070	\$ 31,109	20.61 %	Unionized, 2 additional employees since last rate case; Proforma reduction due to death of employee and replacement at lower salary
2	603 Salaries & Wages - Officers, Etc.									
3	604 Employee Pensions & Benefits	56,314	106,457	(20,441)	86,016	29,731	115,747	59,433	105.54	Uncontrollable increases in health insurance costs; 2 additional employees
4	610 Purchased Water		-							
5	615 Purchased Power	41,388	43,094	(7,145)	35,949	-	35,949	(5,439)	(13.14)	Newer pumps more energy efficient
6	616 Fuel for Power Purchased	1,764	1,300		1,300	-	1,300	(464)	(26.30)	Immaterial
7	618 Chemicals	8,044	15,078		15,078		15,078	7,034	87.44	
8										
9	620 Materials & Supplies	33,884	55,366		55,366	-	55,366	21,482	63.40	Chlorine cost increases greater than benchmark index; increase in line maintenance requiring reesterilization
10	631 Contractual Services - Engr.	2,777						(2,777)	(100.00)	Increase in maintenance requirements
11	632 Contractual Services - Acct.	9,554	14,568	(9,229)	5,339		5,339	(4,215)	(44.12)	Due to slow growth, less engineering costs incurred
12	633 Contractual Services - Legal	1,794	518		518		518	(1,276)	(71.13)	Less outside accounting
13	634 Contractual Services - Mgmt. Fees	53,951	128,553	(49,104)	77,449	32,192	109,641	55,690	103.22	Lower recurring expense in this test year
14	635 Contractual Services - Testing		7,020	(594)	6,426		6,426	6,426	100.00	Health insurance cost increases; employee wage increases of 3% annually
15	636 Contractual Services - Other	5,120		22,907	22,907		22,907	17,787	347.40	Included in Contract Services-Other in prior test year
16	641 Rental of Building/Real Prop.	1,469	1,814		1,814		1,814	345	23.49	Increase in maintenance requirements
17	642 Rental of Equipment									Immaterial
18	650 Transportation Expenses	3,767	4,873		4,873	-	4,873	1,106	29.36	
19	659 Insurance - Vehicle	3,126	7,585		7,585	-	7,585	4,459	142.64	Increases in cost of insurance have risen faster than benchmark index
20	657 Insurance - General Liability	5,254	15,341	3,727	19,068	-	19,068	13,814	262.92	
21	658 Insurance - Workman's Comp.	4,046	18,310		18,310	-	18,310	14,264	352.55	
22	659 Insurance - Other	5,018	3,727	(3,727)		-		(5,018)	(100.00)	Reclassification to other insurance accounts
23	660 Advertising Expense	649				-		(649)	(100.00)	Immaterial
24	666 Reg. Comm. Exp. - Rate Case Amort.	12,153	12,153		12,153	(217)	11,936	(217)	(1.79)	Immaterial
25	667 Reg. Comm. Exp. - Other									
26	670 Bad Debt Expense	1,236	2,100		2,100		2,100	864	69.90	Immaterial
27	675 Miscellaneous Expenses	8,231	448	7,145	7,593		7,593	(638)	(7.75)	Immaterial
28	TOTAL	\$ 410,500	\$ 607,870	\$ (36,020)	\$ 571,850	\$ 51,770	\$ 623,620	\$ 213,120	51.92 %	
29	Total Customers (ERC's)	2,083			2,047		2,047	(36)	(1.73) %	
30	Consumer Price Index - U	484.31			521.72		521.72	37.41	7.72 %	
31	Benchmark Index: Change in Customer ERC's							0.9827		
32	Increase in CPI							1.0772		
33								1.0586		



Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Historic [X] or Projected [ ]

Schedule: B-12  
 Page 2 of 2  
 Preparer: CJN & W

Explanation: Provide a schedule detailing expenses which are subject to allocation between systems (water, sewer & gas, etc.) showing allocation percentages, gross amounts, amounts allocated, and a detailed description of the method of allocation. Provide a description of all systems other than water and sewer.

Line No.	(1) Employee	(2) Gross	(3) Water	(4) %	(5) Sewer	(6) %	(7) Refuse	(8) %	(9) Roll/Off	(10) %	(11) ITS	(12) %
1	Following are 2003 A&G Salaries by employee, showing the allocation to each operating division:											
2	<u>2003 General and Administrative Salaries</u>											
3	M. Abramson	\$ 57,707	\$ 25,968	45%	\$ 25,968	45%	\$ 4,039	7%	\$ 1,731	3%		
4	E. Gentry	57,033	25,665	45%	25,665	45%	3,992	7%	1,711	3%		
5	M. Hernandez	24,565	12,283	50%	12,283	50%	-	-	-	0%		
6	W. Hannah	41,886	10,472	25%	10,472	25%	5,864	14%	2,513	6%	\$ 12,566	30%
7	T. Higgins	53,545	10,709	20%	10,709	20%	3,748	7%	1,606	3%	26,773	50%
8	Total	\$ 234,736	\$ 85,096	36%	\$ 85,096	36%	\$ 17,644	8%	\$ 7,562	3%	\$ 39,338	17%
9	Following are 2003 non-A&G Salaries by employee, showing the allocation to each operating division:											
10	<u>2003 Field and Supervisory Salaries</u>											
11	J. Hewitt	\$ 69,573	\$ 26,748	38%	\$ 42,825	62%						
12	D. Smiley	30,695	897	3%	29,798	97%						
13	R. Guerrero	24,503	22,185	91%	2,318	9%						
14	R. Maine	25,599	13,988	55%	11,611	45%						
15	D. Johnson	52,493	16,919	32%	35,574	68%						
16	E. Watson	34,918	22,150	63%	12,768	37%						
17	R. Butts	6,208	4,509	73%	1,699	27%						
18	E. Smith	300	-		300	100%						
19	Total	\$ 244,288	\$ 107,395	44%	\$ 136,894	56%						

Notes (1): The salaries above are based upon the average amount of time spent for utility and non-utility operations. The composite allocation rate for utility operations is 72% (Water 36% + wastewater 36% = 72%) non-utility operations is 28% (Refuse 8% + Roll-off 3% + ITS 17% = 28%). The prior test year (6/30/99) composite rate approved for utility was 77% and non-utility was 23%.

All salaries except for fieldman are allocated on the basis of a review by management of each position and interviewing each employee to get a feel for how many hours a week are worked in each position. Fieldmen fill out a weekly timesheet showing what actual hours were spent on which job.

Taxes Other Than Income - Final Rates

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Historic [X] or Projected [ ]

Schedule: B-15  
 Page 1 of 2  
 Preparer: CJN & W  
 Recap Schedules: B-1, B-2

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

(1)	(2)	(3)	(4)	(5)	(6)	
No.	Line Description	Regulatory Assessment Fees (RAFs)	Payroll Taxes	Real Estate & Personal Property	Other	Total
<b>WATER</b>						
1	Test Year Per Books	\$ 27,716	\$ 13,725	\$ 35,528		\$ 76,969
2	Adjustments to Test Year (Explain)					
3	RAFs assoc. with revenue adjustment	(309)				(309)
6	Decrease in tangible tax per B-3			(262)		(262)
7	Payroll Tax for workforce change		(760)			(760)
4	<b>Total Test Year Adjustments</b>	<b>(309)</b>	<b>(760)</b>	<b>(262)</b>	-	<b>(1,331)</b>
5	<b>Adjusted Test Year</b>	<b>27,407</b>	<b>12,965</b>	<b>35,266</b>	-	<b>75,638</b>
8	RAFs Assoc. with Revenue Increase	8,639	-	-	-	8,639
9	<b>Total Balance</b>	<b>\$ 36,046</b>	<b>\$ 12,965</b>	<b>\$ 35,266</b>	<b>\$ -</b>	<b>\$ 84,277</b>
<b>SEWER</b>						
10	Test Year Per Books	\$ 39,831	\$ 19,373	\$ 44,366		\$ 103,570
11	Adjustments to Test Year (Explain)					
12	RAFs assoc. with annualized revenue	(659)				(659)
15	Increase in tangible tax per B-3			1,885		1,885
16	Payroll Tax for workforce change		(687)			(687)
13	<b>Total Test Year Adjustments</b>	<b>(659)</b>	<b>(687)</b>	<b>1,885</b>	-	<b>539</b>
14	<b>Adjusted Test Year</b>	<b>39,172</b>	<b>18,686</b>	<b>46,251</b>	-	<b>104,109</b>
17	RAFs Assoc. with Revenue Increase	15,270	-	-	-	15,270
18	<b>Total Balance</b>	<b>\$ 54,442</b>	<b>\$ 18,686</b>	<b>\$ 46,251</b>	<b>\$ -</b>	<b>\$ 119,379</b>

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Historic [X] or Projected [ ]

Schedule: B-15  
 Page 2 of 2  
 Preparer: CJN & W  
 Recap Schedules: B-1, B-2

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

(1)	(2)	(3)	(4)	(5)	(6)	
No.	Line Description	Regulatory Assessment Fees (RAFs)	Payroll Taxes	Real Estate & Personal Property	Other	Total
<b>WATER</b>						
1	Test Year Per Books	27,716	13,725	35,528	-	76,969
2	Adjustments to Test Year (Explain)					
3	RAFs assoc. with annualized revenue	(309)				(309)
4	Total Test Year Adjustments	(309)	-	-	-	(309)
5	Adjusted Test Year	27,407	13,725	35,528	-	76,660
6	RAFs Assoc. with Revenue Increase	5,717	-	-	-	5,717
7	Total Balance	\$ 33,124	\$ 13,725	\$ 35,528	\$ -	\$ 82,377
<b>SEWER</b>						
8	Test Year Per Books	39,831	19,373	44,366	-	103,570
9	Adjustments to Test Year (Explain)					
10	RAFs assoc. with annualized revenue	(659)				(659)
11						
12	Total Test Year Adjustments	(659)	-	-	-	(659)
13	Adjusted Test Year	39,172	19,373	44,366	-	102,911
14	RAFs Assoc. with Revenue Increase	10,934	-	-	-	10,934
15	Total Balance	\$ 50,106	\$ 19,373	\$ 44,366	\$ -	\$ 113,845



Accumulated Deferred Income Taxes - Summary

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Historic [X] Projected [ ] (Final Rates)

Schedule: C-6  
 Page 1 of 3  
 Preparer: Thomas Bono, CPA  
 and CJN & W

Explanation: For each of the accumulated deferred tax accounts provide a summary of the ending balances as reported on pages 2 & 3 of this schedule. The same annual balances should be shown.

Line No.	Year	Account No. 190.0001			Account No. 281.0001			Net Deferred Income Taxes		
		State	Federal	Total	State	Federal	Total	State	Federal	Total
1	<u>Water</u>									
2	Jun, 1999	32,240	188,338	220,578	(19,728)	(115,250)	(134,978)	12,512	73,088	85,600
3	Dec, 1999	30,448	177,960	208,408	(22,321)	(130,457)	(152,778)	8,127	47,503	55,630
4	Dec, 2000	29,090	170,018	199,108	(22,863)	(133,625)	(156,488)	6,227	36,393	42,620
5	Dec, 2001	27,602	161,321	188,923	(23,317)	(136,280)	(159,597)	4,285	25,041	29,326
6	Dec, 2002	26,387	154,219	180,606	(24,667)	(144,170)	(168,837)	1,720	10,049	11,769
7	Dec, 2003	25,343	148,118	173,461	(26,286)	(153,629)	(179,915)	(943)	(5,511)	(6,454)
8	Adjusted Dec, 2003 (1)	25,343	148,118	173,461	(26,425)	(154,491)	(180,916)	(1,082)	(6,373)	(7,455)
9	<u>Wastewater</u>									
10	Jun, 1999	27,791	162,349	190,140	(40,730)	(237,936)	(278,666)	(12,939)	(75,587)	(88,526)
11	Dec, 1999	25,550	149,330	174,880	(41,823)	(244,443)	(286,266)	(16,273)	(95,113)	(111,386)
12	Dec, 2000	24,304	142,046	166,350	(39,275)	(229,546)	(268,821)	(14,971)	(87,500)	(102,471)
13	Dec, 2001	22,963	134,210	157,173	(36,538)	(213,553)	(250,091)	(13,575)	(79,343)	(92,918)
14	Dec, 2002	21,588	126,170	147,758	(37,224)	(217,563)	(254,787)	(15,636)	(91,393)	(107,029)
15	Dec, 2003	20,355	118,970	139,325	(36,617)	(214,013)	(250,630)	(16,262)	(95,043)	(111,305)
16	Adjusted Dec, 2003 (1)	20,355	118,970	139,325	(36,936)	(215,983)	(252,919)	(16,581)	(97,013)	(113,594)
17	<u>Non Utility</u>									
18	Jun, 1999	487	2,849	3,336	9,095	53,160	62,255	9,582	56,009	65,591
19	Dec, 1999	402	2,354	2,756	9,540	55,755	65,295	9,942	58,109	68,051
20	Dec, 2000	381	2,225	2,606	8,475	49,534	58,009	8,856	51,759	60,615
21	Dec, 2001	254	1,486	1,740	6,772	36,577	43,349	7,026	38,063	45,089
22	Dec, 2002	205	1,199	1,404	11,521	67,337	78,858	11,726	68,536	80,262
23	Dec, 2003	4,479	26,177	30,656	10,495	61,337	71,832	14,974	87,514	102,488
24	Adjusted Dec, 2003 (1)	4,479	26,177	30,656	10,495	61,337	71,832	14,974	87,514	102,488
25	<u>Combined</u>									
26	Jun, 1999	60,518	353,536	414,054	(51,363)	(300,026)	(351,389)	9,155	53,510	62,665
27	Dec, 1999	56,400	329,644	386,044	(54,604)	(319,145)	(373,749)	1,796	10,499	12,295
28	Dec, 2000	53,775	314,289	368,064	(53,663)	(313,637)	(367,300)	112	652	764
29	Dec, 2001	50,819	297,017	347,836	(53,083)	(313,256)	(366,339)	(2,264)	(16,239)	(18,503)
30	Dec, 2002	48,180	281,588	329,768	(50,370)	(294,396)	(344,766)	(2,190)	(12,808)	(14,998)
31	Dec, 2003	50,177	293,265	343,442	(52,408)	(306,305)	(358,713)	(2,231)	(13,040)	(15,271)
32	Adjusted Dec, 2003 (1)	50,177	293,265	343,442	(52,866)	(309,137)	(362,003)	(2,689)	(15,872)	(18,561)

76 (Revised)

33 Note (1): These balances reflect deferred taxes on proforma plant additions requested for final rates

Supporting Schedules: C-7, Pg 2 & 3

Recap Schedules: A-18,A-19,D-2

Accumulated Deferred Income Taxes - State

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Historic [X] Projected [ ] (Final Rates)

Schedule: C-6  
 Page 2 of 3  
 Preparer: Thomas Bono, CPA  
 and CJN & W

Explanation: For each of the accumulated deferred tax accounts provide annual balances beginning with the year of the last rate case and ending with the test year.

Line No.	Year	Account No. 190.0001 Deferred Tax Debits					Account No. 281.001 (Deferred Tax Credits)				
		Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance
1	<u>Water</u>										
2	Jun, 1999					32,240					(19,728)
3	Dec, 1999	32,240		(1,792)		30,448	(19,728)	(2,593)			(22,321)
4	Dec, 2000	30,448		(1,358)		29,090	(22,321)	(542)			(22,863)
5	Dec, 2001	29,090		(1,488)		27,602	(22,863)	(454)			(23,317)
6	Dec, 2002	27,602		(1,215)		26,387	(23,317)	(1,350)			(24,667)
7	Dec, 2003	26,387		(1,044)		25,343	(24,667)	(1,619)			(26,286)
8	Adjusted Dec, 2003 (1)	25,343				25,343	(26,286)	(139)			(26,425)
9	<u>Wastewater</u>										
10	Jun, 1999					27,791					(40,730)
11	Dec, 1999	27,791		(2,241)		25,550	(40,730)	(1,093)			(41,823)
12	Dec, 2000	25,550		(1,246)		24,304	(41,823)	2,548			(39,275)
13	Dec, 2001	24,304		(1,341)		22,963	(39,275)	2,737			(36,538)
14	Dec, 2002	22,963		(1,375)		21,588	(36,538)	(686)			(37,224)
15	Dec, 2003	21,588		(1,233)		20,355	(37,224)	607			(36,617)
16	Adjusted Dec, 2003 (1)	20,355				20,355	(36,617)	(319)			(36,936)
17	<u>Non-Utility</u>										
18	Jun, 1999					487					9,095
19	Dec, 1999	487		(85)		402	9,095	445			9,540
20	Dec, 2000	402		(21)		381	9,540	(1,065)			8,475
21	Dec, 2001	381		(127)		254	8,475	(1,703)			6,772
22	Dec, 2002	254		(49)		205	6,772	4,749			11,521
23	Dec, 2003	205		4,274		4,479	11,521	(1,026)			10,495
24	Adjusted Dec, 2003 (1)	4,479				4,479	10,495	-			10,495
25	<u>Combined</u>										
26	Jun, 1999					60,518					(51,363)
27	Dec, 1999	60,518		(4,118)		56,400	(51,363)	(3,241)			(54,604)
28	Dec, 2000	56,400		(2,625)		53,775	(54,604)	941			(53,663)
29	Dec, 2001	53,775		(2,956)		50,819	(53,663)	580			(53,083)
30	Dec, 2002	50,819		(2,639)		48,180	(53,083)	2,713			(50,370)
31	Dec, 2003	48,180		1,997		50,177	(50,370)	(2,038)			(52,408)
32	Adjusted Dec, 2003 (1)	50,177				50,177	(52,408)	(458)			(52,866)

77 (Revised)

33 Note (1): These balances reflect deferred taxes on proforma plant additions requested for final rates

Supporting Schedules: None

Recap Schedules: C-6

Accumulated Deferred Income Taxes - Federal

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Historic [X] Projected [ ] (Final Rates)

Schedule: C-6  
 Page 3 of 3  
 Preparer: Thomas Bono, CPA  
 and CJN & W

Explanation: For each of the accumulated deferred tax accounts provide annual balances beginning with the year of the last rate case and ending with the test year.

78 (Revised)

Line No.	Year	Account No. 190.0001 Deferred Tax Debits					Account No. 281.001 (Deferred Tax Credits)				
		Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance
1	<u>Water</u>										
2	Jun, 1999					188,338					(115,250)
3	Dec, 1999	188,338		(10,378)		177,960	(115,250)	(15,207)			(130,457)
4	Dec, 2000	177,960		(7,942)		170,018	(130,457)	(3,168)			(133,625)
5	Dec, 2001	170,018		(8,697)		161,321	(133,625)	(2,655)			(136,280)
6	Dec, 2002	161,321		(7,102)		154,219	(136,280)	(7,890)			(144,170)
7	Dec, 2003	154,219		(6,101)		148,118	(144,170)	(9,459)			(153,629)
8	Adjusted Dec, 2003 (1)	148,118				148,118	(153,629)	(862)			(154,491)
9	<u>Wastewater</u>										
10	Jun, 1999					162,349					(237,936)
11	Dec, 1999	162,349		(13,019)		149,330	(237,936)	(6,507)			(244,443)
12	Dec, 2000	149,330		(7,284)		142,046	(244,443)	14,897			(229,546)
13	Dec, 2001	142,046		(7,836)		134,210	(229,546)	15,993			(213,553)
14	Dec, 2002	134,210		(8,040)		126,170	(213,553)	(4,010)			(217,563)
15	Dec, 2003	126,170		(7,200)		118,970	(217,563)	3,550			(214,013)
16	Adjusted Dec, 2003 (1)	118,970				118,970	(214,013)	(1,970)			(215,983)
17	<u>Non-Utility</u>										
18	Jun, 1999					2,849					53,160
19	Dec, 1999	2,849		(495)		2,354	53,160	2,595			55,755
20	Dec, 2000	2,354		(129)		2,225	55,755	(6,221)			49,534
21	Dec, 2001	2,225		(739)		1,486	49,534	(12,957)			36,577
22	Dec, 2002	1,486		(287)		1,199	36,577	30,760			67,337
23	Dec, 2003	1,199		24,978		26,177	67,337	(6,000)			61,337
24	Adjusted Dec, 2003 (1)	26,177				26,177	61,337				61,337
25	<u>Combined</u>										
26	Jun, 1999					353,536					(300,026)
27	Dec, 1999	353,536		(23,892)		329,644	(300,026)	(19,119)			(319,145)
28	Dec, 2000	329,644		(15,355)		314,289	(319,145)	5,508			(313,637)
29	Dec, 2001	314,289		(17,272)		297,017	(313,637)	381			(313,256)
30	Dec, 2002	297,017		(15,429)		281,588	(313,256)	18,860			(294,396)
31	Dec, 2003	281,588		11,677		293,265	(294,396)	(11,909)			(306,305)
32	Adjusted Dec, 2003 (1)	293,265				293,265	(306,305)	(2,832)			(309,137)

33 Note (1): These balances reflect deferred taxes on proforma plant additions requested for final rates  
 Supporting Schedules: None  
 Recap Schedules: C-6

Accumulated Deferred Income Taxes - Summary

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Historic [X] Projected [ ] (Interim Rates)

Schedule: C-6(a)  
 Page 1 of 3  
 Preparer: Thomas Bono, CPA

Explanation: For each of the accumulated deferred tax accounts provide a summary of the ending balances as reported on pages 2 & 3 of this schedule. The same annual balances should be shown.

Line No.	Year	Account No. 190.0001			Account No. 281.0001			Net Deferred Income Taxes		
		State	Federal	Total	State	Federal	Total	State	Federal	Total
1	<u>Water</u>									
2	Jun, 1999	32,240	188,338	220,578	(19,728)	(115,250)	(134,978)	12,512	73,088	85,600
3	Dec, 1999	30,448	177,960	208,408	(22,321)	(130,457)	(152,778)	8,127	47,503	55,630
4	Dec, 2000	29,090	170,018	199,108	(22,863)	(133,625)	(156,488)	6,227	36,393	42,620
5	Dec, 2001	27,602	161,321	188,923	(23,317)	(136,280)	(159,597)	4,285	25,041	29,326
6	Dec, 2002	26,387	154,219	180,606	(24,667)	(144,170)	(168,837)	1,720	10,049	11,769
7	Dec, 2003	25,343	148,118	173,461	(26,286)	(153,629)	(179,915)	(943)	(5,511)	(6,454)
8	<u>Wastewater</u>									
9	Jun, 1999	27,791	162,349	190,140	(40,730)	(237,936)	(278,666)	(12,939)	(75,587)	(88,526)
10	Dec, 1999	25,550	149,330	174,880	(41,823)	(244,443)	(286,266)	(16,273)	(95,113)	(111,386)
11	Dec, 2000	24,304	142,046	166,350	(39,275)	(229,546)	(268,821)	(14,971)	(87,500)	(102,471)
12	Dec, 2001	22,963	134,210	157,173	(36,538)	(213,553)	(250,091)	(13,575)	(79,343)	(92,918)
13	Dec, 2002	21,588	126,170	147,758	(37,224)	(217,563)	(254,787)	(15,636)	(91,393)	(107,029)
14	Dec, 2003	20,355	118,970	139,325	(36,617)	(214,013)	(250,630)	(16,262)	(95,043)	(111,305)
8	<u>Non-Utility</u>									
9	Jun, 1999	487	2,849	3,336	9,095	53,160	62,255	9,582	56,009	65,591
10	Dec, 1999	402	2,354	2,756	9,540	55,755	65,295	9,942	58,109	68,051
11	Dec, 2000	381	2,225	2,606	8,475	49,534	58,009	8,856	51,759	60,615
12	Dec, 2001	254	1,486	1,740	6,772	36,577	43,349	7,026	38,063	45,089
13	Dec, 2002	205	1,199	1,404	11,521	67,337	78,858	11,726	68,536	80,262
14	Dec, 2003	4,479	26,177	30,656	10,495	61,337	71,832	14,974	87,514	102,488
15	<u>Combined</u>									
16	Jun, 1999	60,518	353,536	414,054	(51,363)	(300,026)	(351,389)	9,155	53,510	62,665
17	Dec, 1999	56,400	329,644	386,044	(54,604)	(319,145)	(373,749)	1,796	10,499	12,295
18	Dec, 2000	53,775	314,289	368,064	(53,663)	(313,637)	(367,300)	112	652	764
19	Dec, 2001	50,819	297,017	347,836	(53,083)	(313,256)	(366,339)	(2,264)	(16,239)	(18,503)
20	Dec, 2002	48,180	281,588	329,768	(50,370)	(294,396)	(344,766)	(2,190)	(12,808)	(14,998)
21	Dec, 2003	50,177	293,265	343,442	(52,408)	(306,305)	(358,713)	(2,231)	(13,040)	(15,271)

79 (Revised)

Accumulated Deferred Income Taxes - State

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Historic [X] Projected [ ] (Interim Rates)

Schedule: C-6(a)  
 Page 2 of 3  
 Preparer: Thomas Bono, CPA

Explanation: For each of the accumulated deferred tax accounts provide annual balances beginning with the year of the last rate case and ending with the test year.

Line No.	Year	Account No. 190.0001 Deferred Tax Debits				Account No. 281.001 Deferred Tax Credits					
		Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance
1	<u>Water</u>										
2	Jun, 1999					32,240					(19,728)
3	Dec, 1999	32,240		(1,792)		30,448	(19,728)	(2,593)			(22,321)
4	Dec, 2000	30,448		(1,358)		29,090	(22,321)	(542)			(22,863)
5	Dec, 2001	29,090		(1,488)		27,602	(22,863)	(454)			(23,317)
6	Dec, 2002	27,602		(1,215)		26,387	(23,317)	(1,350)			(24,667)
7	Dec, 2003	26,387		(1,044)		25,343	(24,667)	(1,619)			(26,286)
8	<u>Wastewater</u>										
9	Jun, 1999					27,791					(40,730)
10	Dec, 1999	27,791		(2,241)		25,550	(40,730)	(1,093)			(41,823)
11	Dec, 2000	25,550		(1,246)		24,304	(41,823)	2,548			(39,275)
12	Dec, 2001	24,304		(1,341)		22,963	(39,275)	2,737			(36,538)
13	Dec, 2002	22,963		(1,375)		21,588	(36,538)	(686)			(37,224)
14	Dec, 2003	21,588		(1,233)		20,355	(37,224)	607			(36,617)
8	<u>Non-Utility</u>										
9	Jun, 1999					487					9,095
10	Dec, 1999	487		(85)		402	9,095	445			9,540
11	Dec, 2000	402		(21)		381	9,540	(1,065)			8,475
12	Dec, 2001	381		(127)		254	8,475	(1,703)			6,772
13	Dec, 2002	254		(49)		205	6,772	4,749			11,521
14	Dec, 2003	205		4,274		4,479	11,521	(1,026)			10,495
15	<u>Combined</u>										
16	Jun, 1999					60,518					(51,363)
17	Dec, 1999	60,518		(4,118)		56,400	(51,363)	(3,241)			(54,604)
18	Dec, 2000	56,400		(2,625)		53,775	(54,604)	941			(53,663)
19	Dec, 2001	53,775		(2,956)		50,819	(53,663)	580			(53,083)
20	Dec, 2002	50,819		(2,639)		48,180	(53,083)	2,713			(50,370)
21	Dec, 2003	48,180		1,997		50,177	(50,370)	(2,038)			(52,408)

80 (Revised)

Supporting Schedules: None  
 Recap Schedules: C-6

Accumulated Deferred Income Taxes - Federal

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Historic [X] Projected [ ] (Interim Rates)

Schedule: C-6(a)  
 Page 3 of 3  
 Preparer: Thomas Bono, CPA

Explanation: For each of the accumulated deferred tax accounts provide annual balances beginning with the year of the last rate case and ending with the test year.

Line No.	Year	Account No. 190.0001 Deferred Tax Debits					Account No. 281.001 Deferred Tax Credits				
		Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance
1	<u>Water</u>										
2	Jun, 1999					188,338					(115,250)
3	Dec, 1999	188,338		(10,378)		177,960	(115,250)	(15,207)			(130,457)
4	Dec, 2000	177,960		(7,942)		170,018	(130,457)	(3,168)			(133,625)
5	Dec, 2001	170,018		(8,697)		161,321	(133,625)	(2,655)			(136,280)
6	Dec, 2002	161,321		(7,102)		154,219	(136,280)	(7,890)			(144,170)
7	Dec, 2003	154,219		(6,101)		148,118	(144,170)	(9,459)			(153,629)
8	<u>Wastewater</u>										
9	Jun, 1999					162,349					(237,936)
10	Dec, 1999	162,349		(13,019)		149,330	(237,936)	(6,507)			(244,443)
11	Dec, 2000	149,330		(7,284)		142,046	(244,443)	14,897			(229,546)
12	Dec, 2001	142,046		(7,836)		134,210	(229,546)	15,993			(213,553)
13	Dec, 2002	134,210		(8,040)		126,170	(213,553)	(4,010)			(217,563)
14	Dec, 2003	126,170		(7,200)		118,970	(217,563)	3,550			(214,013)
8	<u>Non-Utility</u>										
9	Jun, 1999					2,849					53,160
10	Dec, 1999	2,849		(495)		2,354	53,160	2,595			55,755
11	Dec, 2000	2,354		(129)		2,225	55,755	(6,221)			49,534
12	Dec, 2001	2,225		(739)		1,486	49,534	(12,957)			36,577
13	Dec, 2002	1,486		(287)		1,199	36,577	30,760			67,337
14	Dec, 2003	1,199		24,978		26,177	67,337	(6,000)			61,337
15	<u>Combined</u>										
16	Jun, 1999					353,536					(300,026)
17	Dec, 1999	353,536		(23,892)		329,644	(300,026)	(19,119)			(319,145)
18	Dec, 2000	329,644		(15,355)		314,289	(319,145)	5,508			(313,637)
19	Dec, 2001	314,289		(17,272)		297,017	(313,637)	381			(313,256)
20	Dec, 2002	297,017		(15,429)		281,588	(313,256)	18,860			(294,396)
21	Dec, 2003	281,588		11,677		293,265	(294,396)	(11,909)			(306,305)

81 (Revised)

Reconciliation of Capital Structure to Requested Rate Base (Final)  
Beginning and End of Year Average

Florida Public Service Commission

Company: Indiantown Company, Inc.  
Docket No.: 040450-WS  
Test Year Ended: December 31, 2003  
Schedule Year Ended: December 31, 2003  
Historic [X] Projected [ ]

Schedule: D-2  
Page 1 of 1  
Preparer: C.J.N. & W

Explanation: Provide a reconciliation of the simple average capital structure to requested rate base. Explain all adjustments. Submit an additional schedule if a year-end basis is used.

Line No.	(1) Class of Capital	(2) Test Year Per Books	(3) Reconciliation Adjustments			(5) Prorata Amount	(6) Reconciled To Requested Rate Base
			(3) Specific	(4) Prorata %	(5) Prorata Amount		
1	Long-Term Debt	308,216	(5,002) (1)	9.65 %	(147,111)	156,103	
2	Short-Term Debt	30,367	(15,732) (2)	0.47	(7,032)	7,603	
3	Preferred Stock						
4	Common Equity	4,813,931	(2,099,432) (3)	86.44	(1,316,201)	1,398,298	
5	Customer Deposits	46,795				46,795	
6	Tax Credits - Zero Cost						
7	Tax Credits - Wtd. Cost						
8	Accum. Deferred Income Tax	15,135	93,020 (4)	3.44	(52,508)	55,647	
11	<b>Total</b>	<b>\$ 5,214,444</b>	<b>\$ (2,027,146)</b>	<b>100.00 %</b>	<b>\$ (1,522,852)</b>	<b>\$ 1,664,446</b>	

12 \* List corresponding adjustments to rate base below:

13	Description	Amount
14	(1) Remove non-utility debt for Nonutility (Rolloff) Operations	\$ (5,002)
15	(2) Remove insurance for nonutility operations	
16	Remove debt for portion of Liability insurance for nonutility operations	\$ (3,178)
17	Remove debt for Vehicle insurance for nonutility (refuse) operations	(7,968)
18	Remove debt for Vehicle insurance for nonutility (rolloff) operations	(4,586)
19	Adjustment	\$ (15,732)
20	(3) Eliminates the equity of all non-utility operations.	\$ (2,099,432)
21	(4) Average net accumulated deferred income taxes per C-6	\$ 16,780
22	Remove average net non-utility deferred taxes	91,375
23	Average amount per books	(15,135)
24	Adjustment	\$ 93,020

Supporting Schedules: A-19,C-7,C-8,D-3,D-4,D-5,D-7  
Recap Schedules: D-1

Reconciliation of Capital Structure to Requested Rate Base (Interim)  
Beginning and End of Year Average

Florida Public Service Commission

Company: Indiantown Company, Inc.  
Docket No.: 040450-WS  
Test Year Ended: December 31, 2003  
Schedule Year Ended: December 31, 2003  
Historic [X] Projected [ ]

Schedule: D-2 (a)  
Page 1 of 1  
Preparer: CJN & W

Explanation: Provide a reconciliation of the simple average capital structure to requested rate base. Explain all adjustments. Submit an additional schedule if a year-end basis is used.

Line No.	(1) Class of Capital	(2) Test Year Per Books	(3) Reconciliation Adjustments			(6) Reconciled To Requested Rate Base
			(3) Specific	(4) Prorata %	(5) Prorata Amount	
1	Long-Term Debt	308,216	(5,002) (1)	6.15 %	(218,341)	84,873
2	Short-Term Debt	30,367	(15,732) (2)	0.30	(10,495)	4,140
3	Preferred Stock					
4	Common Equity	4,813,931	(310,265) (3)	91.39	(3,242,432)	1,261,234
5	Customer Deposits	46,795				46,795
6	Tax Credits - Zero Cost					
7	Tax Credits - Wtd. Cost					
8	Accum. Deferred Income Tax	15,135	91,375 (4)	2.16	(76,701)	29,809
11	<b>Total</b>	<b>\$ 5,214,444</b>	<b>\$ (239,624)</b>	<b>100.00 %</b>	<b>\$ (3,547,969)</b>	<b>\$ 1,426,851</b>

12 \* List corresponding adjustments to rate base below:

13	Description	Amount
14	(1) Remove non-utility debt for Nonutility (Rolloff) Operations	\$ (5,002)
15	(2) Remove insurance for nonutility operations	
16	Remove debt for portion of Liability insurance for nonutility operations	\$ (3,178)
17	Remove debt for Vehicle insurance for nonutility (refuse) operations	(7,968)
18	Remove debt for Vehicle insurance for nonutility (rolloff) operations	(4,586)
19	Adjustment	\$ (15,732)
20	(2) Eliminates the equity of all non-utility operations.	\$ (310,265)
21	(3) Average net accumulated deferred income taxes per C-6	\$ 15,135
22	Remove average net non-utility deferred taxes	91,375
23	Average amount per books	(15,135)
24	Adjustment	\$ 91,375

Supporting Schedules: A-19,C-7,C-8,D-3,D-4,D-5,D-7  
Recap Schedules: D-1



**Rate Schedule**

**Florida Public Service Commission**

**Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003  
 Water [x] or Sewer [ ]**

**Schedule: E-1  
 Page 1 of 2  
 Preparer: CJN & W**

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

<b>Line No</b>	<b>(1) Class/Meter Size</b>	<b>(2) Test Year Rates</b>	<b>(3) Present Rates (1)</b>	<b>(4) Interim Rates</b>	<b>(6) Proposed Rates</b>
<b>1</b>	<b>Residential</b>				
<b>2</b>	5/8" x 3/4"	10.33	10.45	12.44	14.88
<b>3</b>	1"	25.82	26.13	31.11	37.20
<b>4</b>	1 1/2"	51.65	52.27	62.24	74.40
<b>5</b>	2"	82.63	83.62	99.56	119.04
<b>6</b>	3"	154.94	156.80	186.70	223.20
<b>7</b>	4"	258.23	261.33	311.15	372.00
<b>8</b>	6"	516.45	522.65	622.30	744.00
<b>9</b>	8"	826.32	836.24	995.68	1,190.40
<b>10</b>	8" Turbo	929.61	940.77	1,106.85	1,339.20
<b>11</b>					
<b>12</b>	<b>Gallonage Charge</b>				
<b>13</b>	(per 1000 gallons)	1.53	1.55	1.85	1.89
<b>14</b>	<b>General Service</b>				
<b>15</b>	5/8" x 3/4"	10.33	10.45	12.44	14.88
<b>16</b>	1"	25.82	26.13	31.11	37.20
<b>17</b>	1 1/2"	51.65	52.27	62.24	74.40
<b>18</b>	2"	82.63	83.62	99.56	119.04
<b>19</b>	3"	154.94	156.80	186.70	223.20
<b>20</b>	4"	258.23	261.33	311.15	372.00
<b>21</b>	6"	516.45	522.65	622.30	744.00
<b>22</b>	8"	826.32	836.24	995.68	1,190.40
<b>23</b>	8" Turbo	929.61	940.77	1,106.85	1,339.20
<b>24</b>	<b>Gallonage Charge</b>				
<b>25</b>	(per 1000 gallons)	1.53	1.55	1.85	1.89
<b>26</b>	<b>Private Fire Protection (2)</b>				
<b>27</b>	2"	6.90	6.98	8.31	9.92
<b>28</b>	3"	12.91	13.07	15.56	18.60
<b>29</b>	4"	21.52	21.78	25.93	31.00
<b>30</b>	6"	43.03	43.55	51.85	62.00
<b>31</b>	8"	68.86	69.69	82.98	99.20

**28** Note (1): Present rates per Authority No. WS-03-0113, effective February 1, 2004.

Rate Schedule

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003  
 Water [ ] or Sewer [X]

Schedule: E-1  
 Page 2 of 2  
 Preparer: CJN & W

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

Line No	(1) Class/Meter Size	(2) Test Year Rates	(3) Present Rates (1)	(4) Interim Rates	(6) Proposed Rates
1	Residential				
2	All meter sizes	16.93	17.11	21.71	24.22
3	Gallonage Charge (per 1000 gallons)				
4	6,000 gallons maximum	3.66	3.70	4.70	5.03
5	General Service				
6	5/8" x 3/4"	16.93	17.11	21.71	24.22
7	1"	42.34	42.78	54.29	60.55
8	1 1/2"	84.68	85.57	108.59	121.10
9	2"	135.49	136.91	173.74	193.76
10	3"	254.04	256.71	325.76	363.30
11	4"	423.40	427.85	542.93	605.50
12	6"	846.81	855.70	1,085.87	1,211.00
13	8"	1,353.84	1,368.06	1,736.04	1,937.60
14	8" Turbo	1,524.25	1,540.25	1,954.55	2,179.80
15	Gallonage Charge				
16	(per 1000 gallons)	4.39	4.44	5.63	5.91
17	Note (1): Present rates per Authority No. WS-03-0113, effective February 1, 2004.				

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Water [X] or Sewer [ ]

Schedule: E-2  
 Page 1 of 3  
 Preparer: CJN & W

**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.**

Line No.	(1) Class/Meter Size	(2) Total Bills	(3) Total Gallons	(4) Test Year Rates	(5) Total Test Year Revenue
1	Residential				
2	5/8" x 3/4"	19,293		\$ 10.33	\$ 199,297
3	M Gallons		160,975	1.53	246,292
4	Total Residential	19,293	160,975		\$ 445,589
5	Average Bill				\$ 23.10
6	General Service				
7	5/8" X 3/4"	1,668		10.33	17,230
8	M Gallons		29,410	1.53	44,997
9	1"	60		25.82	1,549
10	M Gallons		2,021	1.53	3,092
11	1 1/2"	48		51.65	2,479
12	M Gallons		1,697	1.53	2,596
13	2"	223		82.63	18,426
14	M Gallons		23,743	1.53	36,327
15	3"	12		154.94	1,859
16	M Gallons		217	1.53	332
17		24		258.23	6,198
18	M Gallons		749	1.53	1,146
19	6"	12		516.45	6,197
20	M Gallons		29	1.53	44
21	8" Turbo	0		929.61	
22	M Gallons			1.53	
23	Total Gen. Serv.	2,047	57,866		\$ 142,472
24	Average Bill				\$ 69.60
25	Private Fire Protection				
26	2"	-	N/A	6.90	-
27	3"	-	N/A	12.91	-
28	4"	96	N/A	21.52	2,066
29	6"	36	N/A	43.03	1,549
30	8"	-	N/A	68.86	-
31	Total private fire protection	132			\$ 3,615
32	Average bill				\$ 27.39
33	Other water revenues				26,722
34	Total Revenue				618,398
35	Total revenue per books				618,125
36	Immaterial difference				\$ 273

37 Note: The Company is currently in the process of refunding \$6,876 in 2003 overcharges related to billing input errors for 5/8" x 3/4"  
 38 Commercial meters at Indiantown Marina. See adjustment on B-1, B-1(a), B-3, and B-3(a). Also, see detailed explanation  
 39 on Schedule E-2, Page 3 of 3 and the resulting adjusted test year revenue on Schedule E-2(a), Page 1 of 2.

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Water [ ] or Sewer [X]

Schedule: E-2  
 Page 2 of 3  
 Preparer: CJN & W

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	(2) Total Bills	(3) Total Gallons	(4) Test Year Rates	(5) Total Test Year Revenue
1	Residential				
2	5/8" x 3/4"	18,908		\$ 16.93	\$ 320,112
3	M Gallons		87,169	3.66	319,039
4	Total Residential	18,908	87,169		\$ 639,151
5	Average Bill				\$ 33.80
6	General Service				
7	5/8" X 3/4"	1,250		16.93	21,163
8	M Gallons		23,651	4.39	103,828
9	1"	60		42.34	2,540
10	M Gallons		2,021	4.39	8,872
11	1 1/2"	48		84.68	4,065
12	M Gallons		1,697	4.39	7,450
13	2"	192		135.49	26,014
14	M Gallons		12,604	4.39	55,332
15	3"			0.00	
16	M Gallons			4.39	
17	4"	24		423.40	10,162
18	M Gallons		749	4.39	3,288
19	6"			846.81	
20	M Gallons			4.39	
21	8" Turbo			1,524.25	
22	M Gallons			4.39	
23	Total Gen. Serv.	1,574	40,722		\$ 242,714
24	Average Bill				\$ 154.20
25	Miscellaneous service revenues				183
26	Total Historic Revenue				882,048
27	Total revenue per books				885,706
28	Immaterial difference				\$ (3,658)
29	Note: The Company is currently in the process of refunding \$14,654 in 2003 overcharges related to billing input errors for 5/8" x 3/4"				
30	Commercial meters at Indiantown Marina. See adjustment on B-2, B-2(a), B-3, and B-3(a). Also, see detailed explanation				
31	on Schedule E-2, Page 3 of 3 and the resulting adjusted test year revenue on Schedule E-2(a), Page 2 of 2.				

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Water [X] or Sewer [ ]

Schedule: E-2  
 Page 3 of 3  
 Preparer: CJN & W

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	(2) Total Bills	(3) Total Gallons	(4) Test Year Rates	(5) Total Test Year Revenue
1	<u>Explanation of 2003 overbillings at Indiantown Marina</u>				
2	In January, 2003, the Customer Service Representative inputting meter readings for the 19 5/8" x 3/4" meters				
3	at the Indiantown Marina began adding two zeros to the consumption recorded by the meter reader. This was				
4	done on a misunderstanding that the meters had "turned over" and that adding two zeros to the recorded				
5	consumption was necessary to obtain actual consumption. As soon as the Company discovered this error				
6	in 2004, a refund was initiated and is now complete. The following summarizes the gallons (000) overbilled				
7	in 2003 by month and the refund made:				
8					
9					
10				Total Water	Total Sewer
11	January			645	384
12	February			761	581
13	March			419	174
14	April			521	379
15	May			477	273
16	June			296	244
17	July			205	204
18	August			270	257
19	September			276	262
20	October			232	235
21	November			259	234
22	December			133	111
23	Total			4,494	3,338
24	2003 gallonage charge per 1,000 gallons			\$ 1.53	\$ 4.39
25	Total 2003 overcharges			\$ 6,876	\$ 14,654
26	Test year consumption and revenues have been adjusted for the overbillings shown above. See Schedules				
27	B-1, B-1(a), B-2, B-2(a), B-3, B-3(a), E-2, E-2(a), and the Consolidated Billing Analysis in Volume II.				

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Water [X] or Sewer [ ]

Schedule: E-2(a)  
 Page 1 of 2  
 Preparer: CJN & W

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.

Line No.	(1) Class/Meter Size	(2) Total Bills	(3) Total Gallons	(4) Test Year Rates (1)	(5) Test Year Revenue	(4) Proposed Rates	(5) Proposed Revenue
1	Residential						
2	5/8" x 3/4"	19,293		\$ 10.33	199,297	\$ 14.88	287,080
3	M Gallons		160,975	1.53	246,292	1.89	304,243
4	Total Residential	19,293	160,975		\$ 445,589		\$ 591,323
5	Average Bill				\$ 23.10		\$ 30.65
6	General Service						
7	5/8" X 3/4"	1,668		10.33	\$ 17,230	14.88	\$ 24,820
8	M Gallons (Unadjusted)		29,410	1.53	44,997		
9	M Gallons (Adjusted) (Note (1))		24,916			1.89	47,091
10	1"	60		25.82	1,549	37.20	2,232
11	M Gallons		2,021	1.53	3,092	1.89	3,820
12	1 1/2"	48		51.65	2,479	74.40	3,571
13	M Gallons		1,697	1.53	2,596	1.89	3,207
14	2"	223		82.63	18,426	119.04	26,546
15	M Gallons		23,743	1.53	36,327	1.89	44,874
16	3"	12		154.94	1,859	223.20	2,678
17	M Gallons		217	1.53	332	1.89	410
18	4"	24		258.23	6,198	372.00	8,928
19	M Gallons		749	1.53	1,146	1.89	1,416
20	6"	12		516.45	6,197	744.00	8,928
21	M Gallons		29	1.53	44	1.89	55
22	8" Turbo	0		929.61	0	1,339.20	0
23	M Gallons			1.53	-	1.89	
24	Total Gen. Serv.	2,047	82,782		\$ 142,472		\$ 178,576
25	Average Bill				\$ 69.60		\$ 87.24
26	Private Fire Protection						
27	2"		N/A	6.90	-	9.92	
28	3"		N/A	12.91	-	18.60	
29	4"	96	N/A	21.52	2,066	31.00	2,976
30	6"	36	N/A	43.03	1,549	62.00	2,232
31	8"	-	N/A	68.86	-	99.20	-
32	Total private fire protection	132			\$ 3,615		\$ 5,208
33	Average Bill				\$ 27.39		\$ 39.45
34	Other water revenue				26,722		26,722
35	Total revenue at test year/proposed rates				618,398		801,829
36	Less immaterial difference (Schedule E-2 (Page 1 of 3))				(273)		
37	Total revenue per books/proposed				618,125		801,014
38	2003 overbilling refunded in 2004 (Note (1))				(6,876)		
39	Adjusted test year revenue				\$ 611,249		
40	Immaterial difference						\$ 815
41	Note (1): During the test year, the Company overbilled commercial 5/8" x 3/4" meters at Indiantown Marina by 4,494 gallons (000).						
42	See Note on Schedule E-2, Page 1 of 3 and detailed explanation on Schedule E-2, Page 3 of 3. The Adjusted gallons are based						
43	on test year gallons billed (29,410) less gallons overbilled (4,494). Overbilling of 4,494 gallons x \$1.53 equals test year						
44	revenue adjustment of \$6,876.						

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Schedule Year Ended: December 31, 2003  
 Water [ ] or Sewer [X]

Schedule: E-2(a)  
 Page 2 of 2  
 Preparer: C/JN & W

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.

Line No.	(1) Class/Meter Size	(2) Total Bills	(3) Total Gallons	(4) Present Rates (1)	(5) Annualized Revenue	(4) Proposed Rates	(5) Proposed Revenue
1	Residential						
2	5/8" x 3/4"	18,908		\$ 16.93	320,112	\$ 24.22	457,952
3	M Gallons		87,169	3.66	319,039	5.03	438,460
4	Total Residential	18,908	87,169		\$ 639,151		\$ 896,412
5	Average Bill				\$ 33.80		\$ 47.41
6	General Service						
7	5/8" X 3/4"	1,250		16.93	21,163	24.22	\$ 30,275
8	M Gallons (Unadjusted)		23,651	4.39	103,828		
9	M Gallons (Adjusted) (Note (1))		20,313			5.91	120,050
10	1"	60		42.34	2,540	60.55	3,633
11	M Gallons		2,021	4.39	8,872	5.91	11,944
12	1 1/2"	48		84.68	4,065	121.10	5,813
13	M Gallons		1,697	4.39	7,450	5.91	10,029
14	2"	192		135.49	26,014	193.76	37,202
15	M Gallons		12,604	4.39	55,332	5.91	74,490
16	3"			254.04	0	363.30	0
17	M Gallons			4.39		5.91	0
18	4"	24		423.40	10,162	605.50	14,532
19	M Gallons		749	4.39	3,288	5.91	4,427
20	6"			846.81	0	1,211.00	0
21	M Gallons			4.39		5.91	
22	8" Turbo			1,524.25	0	2,179.80	0
23	M Gallons			4.39		5.91	
24	Total Gen. Serv.	1,574	61,035		\$ 242,714		\$ 312,395
25	Average Bill				\$ 154.20		\$ 198.47
26	Other sewer revenue				183		183
27	Total revenue at test year/proposed rates				882,048		1,208,990
28	Add immaterial difference (Schedule E-2 (Page 1 of 3))				3,658		
29	Total revenue per books/proposed				885,706		1,209,823
30	2003 overbilling refunded in 2004 (Note (1))				(14,654)		
31	Adjusted test year revenue				\$ 871,052		
32	Immaterial difference						\$ (833)
33	Note (1): During the test year, the Company overbilled commercial 5/8" x 3/4" meters at Indiantown Marina by 3,338 gallons (000).						
34	See Note on Schedule E-2, Page 2 of 3 and detailed explanation on Schedule E-2, Page 3 of 3. The Adjusted gallons are based						
35	on test year gallons billed (23,651) less gallons overbilled (3,338). Overbilling of 3,338 gallons x \$4.39 equals test year						
36	revenue adjustment of \$14,654.						

Gallons of Water Pumped, Sold and Unaccounted For  
In Thousands of Gallons

Florida Public Service Commission

Company: Indiantown Company, Inc.  
Docket No.: 040450-WS  
Test Year Ended: December 31, 2003

Schedule F-1  
Page 1 of 3  
Preparer: C.J.N & W

Explanation: Provide a schedule of gallons of water pumped, sold and unaccounted for each month of the test year. The gallons pumped should match the flows shown on the monthly operating reports sent to DER. The other uses may include plant use, flushing of hydrants and water and sewer lines, line breakage's and fire flows. Provide all calculations to substantiate the other uses. If unaccounted for water is greater than 10%, provide an explanation as to the reasons why; if less than 10%, Columns 4 & 5 may be omitted.

Month/ Year	(1) Raw Water Pumped (000) (1)	(2) Total Gallons Pumped (000) (2)	(3) Gallons Purchased (000)	(4) Gallons Sold (000)	(5) Other Uses (000)	(6) Unaccounted For Water (3) (2)+(3)-(4)-(5)	(7) % Unaccounted For Water
1/03	20,784	17,799		18,898		(1,099)	(6.17) %
2/03	17,313	16,873		18,170		(1,297)	(7.69)
3/03	17,758	18,139		16,414		1,725	9.51
4/03	20,415	18,720		17,788		932	4.98
5/03	19,657	17,945		19,772		(1,827)	(10.18)
6/03	15,037	15,669		17,284		(1,615)	(10.31)
7/03	16,278	15,678		18,144		(2,466)	(15.73)
8/03	17,567	15,673		16,559		(886)	(5.65)
9/03	16,238	14,405		18,031		(3,626)	(25.17)
10/03	17,299	15,160		17,400		(2,240)	(14.78)
11/03	17,191	14,909		17,600		(2,691)	(18.05)
12/03	17,963	16,010		18,285		(2,275)	(14.21)
<b>Total</b>	<b>213,500</b>	<b>196,980</b>	<b>-</b>	<b>214,345</b>	<b>-</b>	<b>(17,365)</b>	<b>(8.82) %</b>

Notes: (1) Raw water pumped from wells per SWFWMD reports (Used in 2003 Annual Report)

(2) Finished water pumped per FDEP monthly reports

(3) The Company did an exhaustive investigation to determine why the gallons sold was greater than the recorded finished water leaving the plant. Either the gallons billed was incorrect or the 1958 12 inch flow meter at the plant was not accurate.

The Utility picked the month with the highest difference, September, 2003, and performed a manual audit of 100% of the bills rendered in that month. The audit included tracing the meter readings to the usage input to the billing program, scanning meter readings for any unusual readings, manually computing each bill and comparing the manual computation to the bill produced by the billing system, reviewing the billing program for rounding and formula errors, and manually totaling the consumption for September, 2003, and comparing the calculation with the total from the billing registers. No material differences or exceptions were found between the manually audited total gallons sold and the total gallons billed per the Company's billing system. Based on this audit, the Company is confident that its billing system is accurate and that the gallons sold in the test year shown above are accurate and will be verified in any audit performed by the Commission in this proceeding.

Having ruled out errors in gallons sold, the Company believes that the meter that records finished water pumped is inaccurate. This is substantiated by a comparison with the raw water pumped. The Company's treatment process consists of aeration and chlorination, which normally does not result in significant losses of water in the production process. Yet, there is a difference of approximately 17,000,000 gallons between raw water pumped from the wells and the recorded finished water leaving the plant. The Company believes this is a significant indicator that the finished water meter is running slow.



Company: Indiantown Company, Inc.  
Docket No.: 040450-WS  
Test Year Ended: December 31, 2003

Schedule F-1  
Page 2 of 3  
Preparer: C.J.N & W

**Explanation:** Provide a schedule of gallons of water pumped, sold and unaccounted for each month of the test year. The gallons pumped should match the flows shown on the monthly operating reports sent to DER. The other uses may include plant use, flushing of hydrants and water and sewer lines, line breakage's and fire flows. Provide all calculations to substantiate the other uses. If unaccounted for water is greater than 10%, provide an explanation as to the reasons why; if less than 10%, Columns 4 & 5 may be omitted.

Notes: (3) (Continued)

In March, 2003, the meter was recalibrated and apparently was accurate in the months of March and April, 2003. In these two months, the gallons sold (after adjustment for Indiantown Marina errors in gallons billed (See Note on Schedule E-2, Page 3 of 3)) as compared to finished gallons pumped appears to be within normal limits. The Company believes the meter began to run slow again in May, 2003. The meter is a venturi type that is 46 years old, and the manufacturer is no longer in business. This meter will be replaced if it cannot be rebuilt or repaired.

The Company believes that the raw water pumped per the monthly SWFWMD reports is an acceptable substitute for the inaccurate pumpage recorded by the finished water meter. These reports have been added to the Additional Engineering Information originally filed in Volume III(a). In addition, Schedule F-3(a) has been prepared to show the water treatment plant data using the raw water pumped data. The schedule below provides the lost water calculation using unadjusted raw water data.

Month/ Year	Raw Water Pumped (000)	Gallons Sold (000)	Unaccounted For Water (2)+(3)-(4)-(5)	% Unaccounted For Water
1/03	20,784	18,898	1,886	9.07 %
2/03	17,313	18,170	(857)	(4.95)
3/03	17,758	16,414	1,344	7.57
4/03	20,415	17,788	2,627	12.87
5/03	19,657	19,772	(115)	(0.59)
6/03	15,037	17,284	(2,247)	(14.94)
7/03	16,278	18,144	(1,866)	(11.46)
8/03	17,567	16,559	1,008	5.74
9/03	16,238	18,031	(1,793)	(11.04)
10/03	17,299	17,400	(101)	(0.58)
11/03	17,191	17,600	(409)	(2.38)
12/03	17,963	18,285	(322)	(1.79)
<b>Total</b>	<b>213,500</b>	<b>214,345</b>	<b>(845)</b>	<b>(0.40) %</b>

(4) Customer meter reading is performed on the 19th of each month. Billing for January, 2003, was for the billing period of December 20, 2002 through January 19, 2003, inclusive. Billing for December, 2003 was for the billing period of November 20, 2003 through December 19, 2003, inclusive. Therefore, to make water pumped comparable to water sold, it is necessary to add the water pumped for the period December 20, 2002 through December 31, 2002, inclusive, and subtract the water pumped for the period December 20, 2003 through December 31, 2003, inclusive. The following comparison results when gallons pumped are adjusted based on the actual day pumpage data from the SWFWMD reports for the days noted above.

Gallons of Water Pumped, Sold and Unaccounted For  
In Thousands of Gallons

Florida Public Service Commission

Company: Indiantown Company, Inc.  
Docket No.: 040450-WS  
Test Year Ended: December 31, 2003

Schedule F-1  
Page 3 of 3  
Preparer: C.J.N & W

Explanation: Provide a schedule of gallons of water pumped, sold and unaccounted for each month of the test year. The gallons pumped should match the flows shown on the monthly operating reports sent to DER. The other uses may include plant use, flushing of hydrants and water and sewer lines, line breakage's and fire flows. Provide all calculations to substantiate the other uses. If unaccounted for water is greater than 10%, provide an explanation as to the reasons why; if less than 10%, Columns 4 & 5 may be omitted.

Notes: (4) (Continued)

Month/ Year	Raw Water Pumped (000)	Gallons Sold (000)	Unaccounted For Water (2)+(3)-(4)-(5)	% Unaccounted For Water
12/20/02 - 12/31/02	7,505			
1/03	20,784	18,898	1,886	9.07 %
2/03	17,313	18,170	(857)	(4.95)
3/03	17,758	16,414	1,344	7.57
4/03	20,415	17,788	2,627	12.87
5/03	19,657	19,772	(115)	(0.59)
6/03	15,037	17,284	(2,247)	(14.94)
7/03	16,278	18,144	(1,866)	(11.46)
8/03	17,567	16,559	1,008	5.74
9/03	16,238	18,031	(1,793)	(11.04)
10/03	17,299	17,400	(101)	(0.58)
11/03	17,191	17,600	(409)	(2.38)
12/03	17,963	18,285	(322)	(1.79)
12/20/03 - 12/31/03	(6,840)			
<b>Total</b>	<b>214,165</b>	<b>214,345</b>	<b>(845)</b>	<b>(0.39) %</b>

No interpolation of gallons sold was performed. The gallons sold for the year on Schedule F-1 reflects what is reported on the consolidated billing analysis for gallons billed during the year and the gallons billed per the booked revenue and analysis on Schedule E-2 and E-2a. To interpolate the gallons upon which booked revenues for the period are based would distort the reported results of operations and create confusion due to these schedules not agreeing to each other. In addition, the results of such an interpolation would be immaterial.

(5) As shown on Note (1) above, the amounts reported on the Utility's 2003 Annual Report on Page W-10, Column (C), entitled "Finished Water Pumped from Wells", are from raw water pumping reports submitted to SWFWMD, based on readings from the well heads. In the MFR's originally filed, on Schedule F-1, Column (1), entitled "Total Gallons Pumped", the Company used the figures from the reports it submits to FDEP, which are based on the finished water meter at the plant. In filling out the Annual Report, the Company focused on the second half of the description on Page W-10, Column (C), "... Pumped From Wells" rather than the first half of that description, "Finished Water Pumped...", since the Company meters both raw and finished water. The difference between the readings at these two measurement points is due to the inaccuracy of the finished water meter discussed above in Note (3).

**Gallons of Wastewater Treated  
In Thousands of Gallons**

**Florida Public Service Commission**

**Company: Indiantown Company, Inc.  
Docket No.: 040450-WS  
Test Year Ended: December 31, 2003**

**Schedule F-2  
Page 1 of 1  
Preparer: C.J.N & W**

**Explanation: Provide a schedule of gallons of wastewater treated by individual plant for each month of the historical test year. Flow data should match the monthly operating reports sent to DER.**

Month/ Year	(1)	(2)	(3)	(4)	(5)	(6)
	Individual Plant Flows (000)				Total Plant Flows	Total Purch. Sewage Treatment
	Indiantown	N/A	N/A	N/A		
1/03	14,970				14,970	none
2/03	13,430				13,430	
3/03	16,560				16,560	
4/03	15,550				15,550	
5/03	15,770				15,770	
6/03	17,540				17,540	
7/03	17,750				17,750	
8/03 (1)	27,380				27,380	
9/03	19,680				19,680	
10/03	19,450				19,450	
11/03	16,560				16,560	
12/03	16,560				16,560	
<b>Total</b>	<b>211,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>211,200</b>	

Note (1): During August, 2003, the Company's service area received approximately 14 inches of rain. Among other things, a demolition site in the service area was flooded, and 30 4 inch sewer lines that were left uncapped by the contractor drew in the water from the pond that was created by the flooding. All of the water was processed by the sewer plant, and FDEP gave approval to overflow into the St. Lucie Canal. Subsequent smoke testing revealed the uncapped lines, which were then capped. The Company believes this was a one-time act of God and was beyond the immediate control of the Utility.

(2) As requested by Staff, the following is a comparison of gallons of wastewater treated with gallons of water sold:

Month/ Year	Sewer Treated (000)	Water Sold (000)	Difference (000)	% Difference
1/03	14,970	18,898	(3,928)	(26.24) %
2/03	13,430	18,170	(4,740)	(35.29)
3/03	16,560	16,414	146	0.88
4/03	15,550	17,788	(2,238)	(14.39)
5/03	15,770	19,772	(4,002)	(25.38)
6/03	17,540	17,284	256	1.46
7/03	17,750	18,144	(394)	(2.22)
8/03	27,380	16,559	10,821	39.52
9/03	19,680	18,031	1,649	8.38
10/03	19,450	17,400	2,050	10.54
11/03	16,560	17,600	(1,040)	(6.28)
12/03	16,560	18,285	(1,725)	(10.42)
<b>Total</b>	<b>211,200</b>	<b>214,345</b>	<b>(3,145)</b>	<b>(1.49) %</b>

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule F-3  
 Page 1 of 1  
 Preparer: CJN & W

Explanation: Provide the following information for each water treatment plant. If the system has water plants that are interconnected, the data for these plants may be combined. All flow data must be obtained from the monthly operating reports (MORs) sent to the Department of Environmental Regulation.

<u>Finished Water Pumped</u>	<u>DATE</u>	<u>GPD (000's)</u>
<b>1. Plant Capacity</b>		<u>1,231</u>
<p>The hydraulic rated capacity. If different from that shown on the DER operating or construction permit, provide an explanation.</p>		
<b>2. Maximum Day</b>	<u>4/13/03</u>	<u>750</u>
<p>The single day with the highest pumpage rate for the test year. Explain, on a separate page, if fire flow, line-breaks or other unusual occurrences affected the flow this day.</p> <p>(There is no record of any unusual occurrences)</p>		
<b>3. Five-Day Max Month</b>	(1) <u>4/13/03</u>	<u>750</u>
	(2) <u>4/14/03</u>	<u>737</u>
	(3) <u>4/21/03</u>	<u>735</u>
	(4) <u>4/15/03</u>	<u>729</u>
	(5) <u>4/22/03</u>	<u>710</u>
<p>The five days with the highest pumpage rate from the month with the highest pumpage rate during the test year. Explain, on a separate page, if fire flow, line-breaks or other unusual occurrences affected the flows on these days.</p> <p>(There is no record of any unusual occurrences)</p>		
	<b>AVERAGE</b>	<u>732</u>
<b>4. Five-Day Max Year</b>	(1) <u>4/13/03</u>	<u>750</u>
	(2) <u>4/14/03</u>	<u>737</u>
	(3) <u>4/21/03</u>	<u>735</u>
	(4) <u>4/15/03</u>	<u>729</u>
	(5) <u>4/22/03</u>	<u>710</u>
<p>The five days with the highest pumpage rate from any one month in the test year. Provide an explanation if fire flow, line-breaks or other unusual occurrences affected the flows on these days.</p> <p>(There is no record of any unusual occurrences)</p>		
	<b>AVERAGE</b>	<u>732</u>
<b>5. Average Daily Flow</b>		<u>540</u>
<b>6. Required Fire Flow (2000 gpm for 2 hours)</b>		
<p>The standards will be those as set by the Insurance Service Organization or by a governmental agency ordinance. Provide documents to support this calculation.</p>		

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule F-3(a)  
 Page 1 of 1  
 Preparer: C.J.N & W

**Explanation:** Provide the following information for each water treatment plant. If the system has water plants that are interconnected, the data for these plants may be combined. All flow data must be obtained from the monthly operating reports (MORs) sent to the Department of Environmental Regulation.

<u>Raw Water Pumped</u>	<u>DATE</u>	<u>GPD (000's)</u>
<b>1. Plant Capacity</b>		1,231
<p>The hydraulic rated capacity. If different from that shown on the DER operating or construction permit, provide an explanation.</p>		
<b>2. Maximum Day</b>	4/17/03	888
<p>The single day with the highest pumpage rate for the test year. Explain, on a separate page, if fire flow, line-breaks or other unusual occurrences affected the flow this day.</p> <p>(There is no record of any unusual occurrences)</p>		
<b>3. Five-Day Max Month</b>	(1) 4/17/03	888
	(2) 4/18/03	848
	(3) 4/19/03	845
	(4) 4/20/03	790
	(5) 4/21/03	850
<p>The five days with the highest pumpage rate from the month with the highest pumpage rate during the test year. Explain, on a separate page, if fire flow, line-breaks or other unusual occurrences affected the flows on these days.</p> <p>(There is no record of any unusual occurrences)</p>		
	<b>AVERAGE</b>	844
<b>4. Five-Day Max Year</b>	(1) 4/17/03	888
	(2) 4/18/03	848
	(3) 4/19/03	845
	(4) 4/21/02	850
	(5) 4/22/02	860
<p>The five days with the highest pumpage rate from any one month in the test year. Provide an explanation if fire flow, line-breaks or other unusual occurrences affected the flows on these days.</p> <p>(There is no record of any unusual occurrences)</p>		
	<b>AVERAGE</b>	858
<b>5. Average Daily Flow</b>		540
<b>6. Required Fire Flow (2000 gpm for 2 hours)</b>		
<p>The standards will be those as set by the Insurance Service Organization or by a governmental agency ordinance. Provide documents to support this calculation.</p>		

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule F-4  
 Page 1 of 1  
 Preparer: C.J.N & W

Explanation: Provide the following information for each wastewater treatment plant. All flow data must be obtained from the monthly operating reports (MORs) sent to the Department of Environmental Regulation.

	<u>MONTH</u>	<u>GPD (000's)</u>
1. Plant Capacity		<u>750</u>
The hydraulic rated capacity. If different from that shown on the DER operating or construction permit, provide an explanation.		
2. Average Daily Flow Max Month	<u>8/03</u>	<u>880</u>
3. Average 3 Month Max Flow	<u>8, 9, 10/03</u>	<u>724</u>
An average of the daily flows during the peak usage month during the test year. Explain, on a separate page, if this peak-month was influenced by abnormal infiltration due to rainfall periods.		

Please see the Note on Schedule F-2 regarding unusual flows at the Wastewater Treatment Plant for the month of August, 2003.



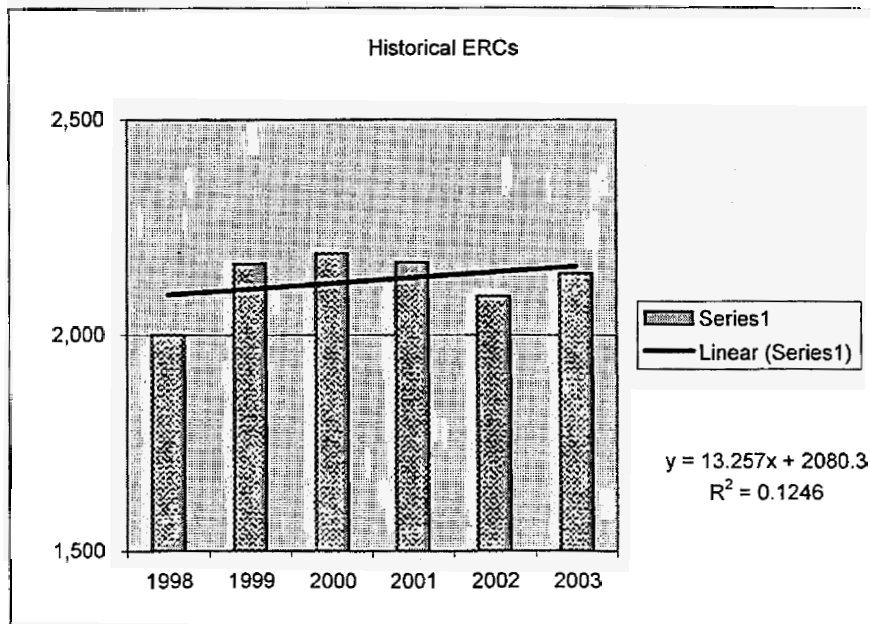
Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule F-9  
 Page 1 of 1  
 Preparer: CJN & W

Explanation: Provide the following information in order to calculate the average growth in ERC's for the last five years, including the test year. If the utility does not have single-family residential (SFR) customers, the largest customer class should be used as a substitute.

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Year	SFR Customer ERC's			SFR Gallons Sold	Gallons/ERC (5)/(4)	Total Gallons Sold	Total ERCs (7)/(6)	Annual % Incr. in ERCs
		Beginning	Ending	Average					
1	1998	1,548	1,548	1,548	180,097	116	232,132	2,001	---
2	1999	1,548	1,547	1,548	180,097	116	251,261	2,166	8.2 %
3	2000	1,547	1,592	1,570	184,017	117	256,244	2,190	1.1
4	2001	1,592	1,587	1,590	165,528	104	225,611	2,169	(1.0)
5	2002	1,587	1,594	1,591	157,985	99	207,015	2,091	(3.6)
6	2003	1,594	1,640	1,617	160,975	100	214,345	2,143	2.5
7	Average Growth Through 5-Year Period (Col. 8) \								1.419 %

Data	Year	Flow	ERC	% increase
	1998	180,097	2,001	N/A
	1999	180,097	2,166	8.2
	2000	184,017	2,190	1.1
	2001	165,528	2,169	(1.0)
	2002	157,985	2,091	(3.6)
	2003	160,975	2,143	2.5



Equivalent Residential Connections - Wastewater

Florida Public Service Commission

Company: Indiantown Company, Inc.  
 Docket No.: 040450-WS  
 Test Year Ended: December 31, 2003

Schedule F-10  
 Page 1 of 1  
 Preparer: CJN & W

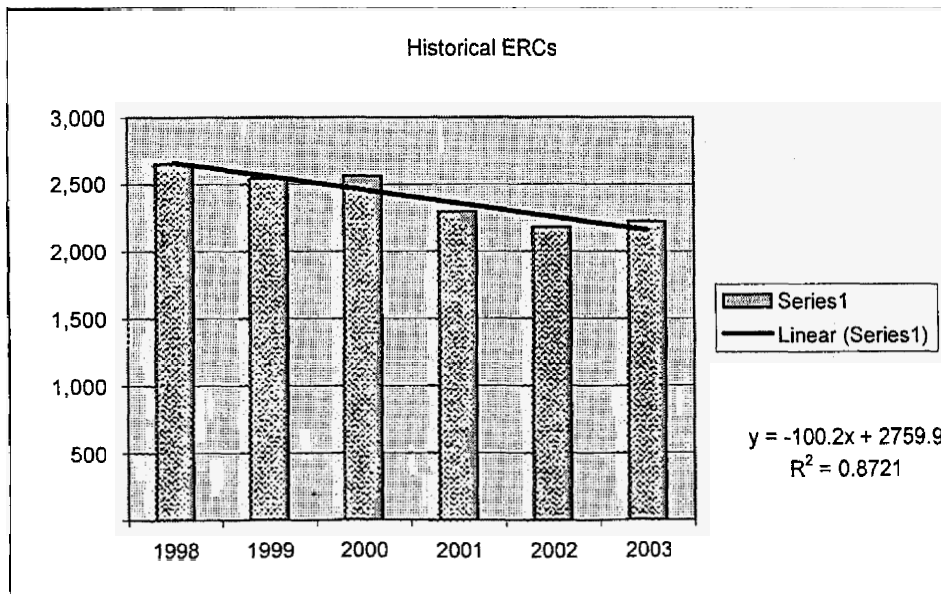
Explanation: Provide the following information in order to calculate the average growth in ERC's for the last five years, including the test year. If the utility does not have single-family residential (SFR) customers, the largest customer class should be used as a substitute.

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Year	Total SFR ERC's			SFR Gallons Sold	Gallons/ERC (5)/(4)	Total Gallons Sold	Total ERCs (7)/(6)	Annual % Incr. in ERCs
		Beginning	Ending	Average					
1	1998	1,486	1,486	1,486	89,412	60	159,240	2,654	---
2	1999	1,486	1,481	1,484	89,412	60	152,530	2,542	(4.220) %
3	2000	1,481	1,510	1,496	90,383	60	153,746	2,562	0.787
4	2001	1,510	1,506	1,508	88,097	59	135,367	2,294	(10.461)
5	2002	1,506	1,523	1,515	86,577	57	124,209	2,179	(5.013)
6	2003	1,523	1,587	1,555	87,169	56	124,553	2,224	<u>2.065</u>

Average Growth Through 5-Year Period (Col. 8)

(3.240) %

Data Year	Flow	ERC	% increase
1998	89,412	2,654	N/A
1999	89,412	2,542	(4.2)
2000	90,383	2,562	0.8
2001	88,097	2,294	(10.5)
2002	86,577	2,179	(5.0)
2003	87,169	2,224	2.1



Average yearly % increase (by linear regression) = -3.7750%

2003 (end of year) ERC's = 2259