

Polk County Summary

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Schedule of Water Rate Base

Florida Public Service Commission

Polk County Total
Docket No. 060368-WS
 Test Year Ending December 31 of
 Historical 2005, Projected 2006, 2007

Number of Water Systems: 5

Schedule: A-1
 Page: 1 of 1
 Preparer: Robert M. Griffin

Explanation: Provide the calculation of the average Water rate base for the test year, showing all adjustments.
 All non-used and useful items should be reported as Plant Held For Future Use.

(1) Line No. Description	(2) <u>Historical Base Year 2005</u>		(4) Adjusted Average Balance	(5) <u>Intermediate Year 2006</u>		(6) <u>Projected Test Year 2007</u>		(8) Adjusted Average Balance	(9) Supporting Schedules
	Average Balance Per Books	(3) Adjustments	Adjustments	Adjusted Average Balance	Adjusted Average Balance	Adjustments	Adjustments		
1 Utility Plant in Service	230,581	1,191,076	1,421,657	104,940	1,526,597	160,176	1,686,773	A-5	
2 Utility Land & Land Rights	3,403	49,196	52,599	0	52,599	0	52,599	A-5	
3 Less: Non-Used & Useful Plant	0	0	0	0	0	0	0	A-7	
4 Construction Work in Progress	0	0	0	0	0	0	0		
5 Less: Accumulated Depreciation	(47,465)	(330,236)	(377,701)	(36,206)	(413,906)	(46,524)	(460,431)	A-9	
6 Less: CIAC	(5,300)	(316,871)	(322,171)	(9,577)	(331,748)	(11,433)	(343,181)	A-12	
7 Accumulated Amortization of CIAC	666	122,316	122,982	10,813	133,795	11,329	145,124	A-14	
8 Acquisition Adjustments	0	0	0	0	0	0	0		
9 Less: Accum. Amort. of Acq. Adjustments	0	0	0	0	0	0	0		
10 Less: Advances For Construction	0	0	0	0	0	0	0	A-16	
11 Working Capital Allowance	0	77,890	77,890	(1,834)	76,057	66,346	142,403	A-17	
12 Total Rate Base	<u>181,885</u>	<u>793,371</u>	<u>975,256</u>	<u>68,136</u>	<u>1,043,393</u>	<u>179,894</u>	<u>1,223,287</u>		

Schedule of Sewer Rate Base

Florida Public Service Commission

Polk County Total
Docket No. 060368-WS
 Test Year Ending December 31 of
 Historical 2005, Projected 2006, 2007

Number of Sewer Systems: 3

Schedule: A-2
 Page: 1 of 1
 Preparer: Robert M. Griffin

Explanation: Provide the calculation of the average Sewer rate base for the test year, showing all adjustments.
 All non-used and useful items should be reported as Plant Held For Future Use.

(1) Line No. Description	(2) <u>Historical Base Year 2005</u>		(4) Adjusted Average Balance	(5) <u>Intermediate Year 2006</u>		(6) <u>Projected Test Year 2007</u>		(8) Adjusted Average Balance	(9) Supporting Schedules
	Average Balance Per Books	(3) Adjustments	Adjustments	Adjusted Average Balance	Adjusted Average Balance	Adjustments			
1 Utility Plant in Service	292,652	2,454,861	2,747,513	349,535	3,097,048	1,046,035	4,143,084	A-6	
2 Utility Land & Land Rights	19,000	13,256	32,256	0	32,256	0	32,256	A-6	
3 Less: Non-Used & Useful Plant	0	(28,725)	(28,725)	(54,577)	(83,301)	(123,321)	(206,622)	A-7	
4 Construction Work in Progress	0	0	0	0	0	0	0		
5 Less: Accumulated Depreciation	(98,625)	(433,382)	(532,007)	(99,377)	(631,385)	(148,024)	(779,409)	A-10	
6 Less: CIAC	(9,750)	(250,697)	(260,447)	(4,277)	(264,724)	(5,719)	(270,443)	A-12	
7 Accumulated Amortization of CIAC	1,194	76,049	77,244	7,777	85,021	7,850	92,871	A-14	
8 Acquisition Adjustments	0	0	0	0	0	0	0		
9 Less: Accum. Amort. of Acq. Adjustments	0	0	0	0	0	0	0		
10 Less: Advances For Construction	0	0	0	0	0	0	0	A-16	
11 Working Capital Allowance	0	63,345	63,345	(3,145)	60,199	7,625	67,824	A-17	
12 Total Rate Base	<u>204,472</u>	<u>1,894,707</u>	<u>2,099,178</u>	<u>195,936</u>	<u>2,295,114</u>	<u>784,448</u>	<u>3,079,562</u>		

Schedule of Water Net Operating Income

Florida Public Service Commission

Polk County Total
 Docket No. 060368-WS
 Schedule Year Ended December 31 of:

Schedule: B-1
 Page: 1 of 1
 Preparer: Jack Schreyer

Historical 2005, Projected 2006, 2007

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) Per Books 2005	(3) Utility Test Year Adjustment	(4) Adjusted Test Year 2005	(5) Adjustments 2005-06	(6) Adjusted Intermd. Yr 2006	(7) Adjustments 2006-07	(8) Adjusted Rate Year 2007	(9) Requested Revenue Adjustment	(10) Requested Annual Revenues	(11) Supporting Schedules
1	OPERATING REVENUES	338,558	(5,377)	333,181	12,667	345,848	2,539	348,387	475,286	823,673	B-4
2	Operation & Maintenance	391,580	30,347	421,927	30,391	452,318	104,295	556,613	7,019	563,632	B-5
3	Depreciation, net of CIAC Amort.	9,589	27,191	36,780	9,943	46,723	12,348	59,072	0	59,072	B-13
4	Amortization	0	0	0	0	0	0	0	0	0	
5	Taxes Other Than Income	35,636	0	35,636	1,921	37,557	5,529	43,086	21,388	64,474	B-15
6	Provision for Income Taxes	(37,898)	(15,395)	(53,294)	(19,570)	(72,864)	(47,425)	(120,288)	162,453	42,164	C-1
7	OPERATING EXPENSES	<u>398,906</u>	<u>42,143</u>	<u>441,049</u>	<u>22,686</u>	<u>463,735</u>	<u>74,748</u>	<u>538,483</u>	<u>190,860</u>	<u>729,343</u>	
8	NET OPERATING INCOME	<u>(60,348)</u>	<u>(47,520)</u>	<u>(107,867)</u>	<u>(10,019)</u>	<u>(117,886)</u>	<u>(72,209)</u>	<u>(190,095)</u>	<u>284,426</u>	<u>94,331</u>	
9	RATE BASE	<u>181,885</u>	<u>793,371</u>	<u>975,256</u>	<u>68,136</u>	<u>1,043,393</u>	<u>179,894</u>	<u>1,223,287</u>	<u>0</u>	<u>1,223,287</u>	A-1
10	RATE OF RETURN	<u>-33.18%</u>		<u>-11.06%</u>						<u>7.71%</u>	

Requested Revenue Increase: 136.4%

Schedule of Sewer Net Operating Income

Florida Public Service Commission

Polk County Total
Docket No. 060368-WS

Number of Sewer Systems: 3

Schedule: B-2
Page: 1 of 1
Preparer: Jack Schreyer

Schedule Year Ended December 31 of:

Historical 2005, Projected 2006, 2007

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) Per Books 2005	(3) Utility Test Year Adjustment	(4) Adjusted Test Year 2005	(5) Adjustments 2005-06	(6) Adjusted Intermd. Yr 2006	(7) Adjustments 2006-07	(8) Adjusted Rate Year 2007	(9) Requested Revenue Adjustment	(10) Requested Annual Revenues	(11) Supporting Schedules
1	OPERATING REVENUES	229,247	(2,143)	227,104	3,453	230,557	481	231,039	699,986	931,025	B-4
2	Operation & Maintenance	254,166	3,872	258,039	(40,877)	217,162	59,709	276,871	10,338	287,209	B-6
3	Depreciation, net of CIAC Amort.	14,243	97,506	111,748	13,567	125,315	33,415	158,730	0	158,730	B-14
4	Amortization	0	0	0	0	0	0	0	0	0	
5	Taxes Other Than Income	57,723	(1,121)	56,602	3,311	59,912	19,311	79,224	31,499	110,723	B-15
6	Provision for Income Taxes	(40,542)	(24,712)	(65,254)	(2,938)	(68,192)	(53,121)	(121,313)	237,354	116,041	C-1
7	OPERATING EXPENSES	285,590	75,545	361,134	(26,938)	334,197	59,315	393,511	279,192	672,703	
8	NET OPERATING INCOME	(56,343)	(77,687)	(134,030)	30,391	(103,639)	(58,833)	(162,473)	420,795	258,322	
9	RATE BASE	204,472	1,894,707	2,099,178	195,936	2,295,114	784,448	3,079,562		3,079,562	A-2
10	RATE OF RETURN	-27.56%		-6.38%						8.39%	

Requested Revenue Increase: 303.0%

Schedule of Requested Cost of Capital

Florida Public Service Commission

Polk County Total
 Docket No. 060368-WS
 Test Year Ending: 12/31/07
 Historical [] Projected [X]

Number of Water Systems: 5
 Number of Sewer Systems: 3

Schedule: D-1
 Page: 1 of 1
 Preparer: Jack Schreyer

Explanation: Provide a schedule which calculates the requested Cost of Capital on a 13-month average basis.
 If a year-end basis is used submit an additional schedule reflecting year-end calculations.

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No. Class of Capital	Reconciled To Requested Rate Base	Ratio	Cost Rate	Weighted Cost Rate	Cost	Supporting Schedules
WATER						
1 Long-Term Debt	442,296	36.16%	6.00%	2.17%	26,538	D-2
2 Short-Term Debt	0	0.00%		0.00%	0	D-2
3 Preferred Stock	0	0.00%		0.00%	0	D-2
4 Common Stock	663,444	54.23%	10.12%	5.49%	67,141	D-2
5 Customer Deposits	11,110	0.91%	6.00%	0.05%	667	D-2
6 Accumulated Deferred Income Taxes	106,437	8.70%	0.00%	0.00%	0	D-2
7 Total	<u>1,223,287</u>	<u>100.00%</u>		<u>7.71%</u>	<u>94,345</u>	
SEWER						
8 Long-Term Debt	1,217,251	39.53%	6.00%	2.37%	73,035	D-2
9 Short-Term Debt	0	0.00%	0.00%	0.00%	0	D-2
10 Preferred Stock	0	0.00%	0.00%	0.00%	0	D-2
11 Common Stock	1,825,876	59.29%	10.12%	6.00%	184,779	D-2
12 Customer Deposits	8,825	0.29%	6.00%	0.02%	529	D-2
13 Accumulated Deferred Income Taxes	27,610	0.90%	0.00%	0.00%	0	D-2
14 Total	<u>3,079,562</u>	<u>100.00%</u>		<u>8.39%</u>	<u>258,343</u>	

Rate Schedule - Proposed Rates

Florida Public Service Commission

Polk County Total
 Docket No. 060368-WS
 Test Year End: 12/31/2005
 Water [X] Sewer [X]

Number of Water Systems: 5
 Number of Sewer Systems: 3

Schedule: E-1
 Page: 1 of 1
 Preparer: Jack Schreyer

Explanation: Provide a schedule of present and proposed interim rates

Line No.	(1) Class/Meter Size	(2)	(3) Proposed County Rates	(4) Class/Meter Size	(5)	(6) Proposed County Rates
WATER				SEWER		
1	Residential			Residential		
2	5/8" X 3/4"		21.75	5/8" X 3/4"		100.58
3	3/4"		32.63	3/4"		150.87
4	1"		54.38	1"		251.45
5	1-1/2"		108.76	1-1/2"		502.90
6	2"		174.01	2"		804.63
7	3"		348.02	3"		1,609.27
8	4"		543.79	4"		2,514.48
9	6"		1,087.57	6"		5,028.95
10	8"		1,740.12	8"		8,046.33
11	10"		2,501.42	10"		11,566.60
12	Gallorage charge					
13	Block 1		2.84	Gallorage cap (gallons)		6,000
14	Block 2		3.55	Gallorage charge		7.72
15	Block 3		-			
16	General Service			General Service		
17	5/8" X 3/4"		21.75	5/8" X 3/4"		100.58
18	3/4"		32.63	3/4"		150.87
19	1"		54.38	1"		251.45
20	1-1/2"		108.76	1-1/2"		502.90
21	2"		174.01	2"		804.63
22	3"		348.02	3"		1,609.27
23	4"		543.79	4"		2,514.48
24	6"		1,087.57	6"		5,028.95
25	8"		1,740.12	8"		8,046.33
26	10"		2,501.42	10"		11,566.60
27	Gallorage charge		2.84	Gallorage charge		9.26
28	Fire Protection			Flat Rate		
29	2"		43.50	Res. Wastewater Only		211.22
30	3"		87.01	Sprinkler Heads		-
31	4"		135.95	Reuse		-
32	6"		271.89			
33	8"		435.03			
34	10"		625.36			

Projected Test Year Revenue Calculation

Florida Public Service Commission

Polk County Total Number of Water Systems: 5
Docket No. 060368-WS
 Schedule Year End: 12/31/2007
 Water [X] or Sewer []

Schedule: E-13w
 Page: 1 of 1
 Preparer: Jack Schreyer

Explanation: If a projected test year is used, provide a schedule of historical and projected bills and consumption by classification. Include a calculation of each projection factor on a separate schedule, if necessary. List other classes or meter sizes as applicable.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	Class/Meter Size		Proj. Test Year 2007 Bills		Proj. Test Year 2007 Consump.	WgtdAvg Present Rates	Proj. 2007 Revenue at Pres. Rates	Conserv. Gallons	Proposed County Rates	Projected 2007 Rev. Req.	
1 Residential											
2	5/8" X 3/4"		17,336		103,947	8.14	141,187		21.75	377,058	
3	3/4"		0		0	-	0		32.63	0	
4	1"		72		845	6.35	457		54.38	3,915	
5	1-1/2"		0		0	-	0		108.76	0	
6	2"		24		1,497	54.73	1,313		174.01	4,176	
7	3"		0		0	-	0		348.02	0	
8	4"		0		0	-	0		543.79	0	
9	Gallorage										
10	Block 1				105,745	1.17	123,282	70,137	2.84	199,189	
11	Block 2				320	1.20	384	36,152	3.55	128,338	
12	Block 3				223	1.46	326	0	-	0	
13	Total Residential		17,432		106,289		266,950	106,289		712,677	
14	Average Bill						15.31			40.88	
15 Commerical											
16	5/8" X 3/4"		634		15,869	9.33	5,913		21.75	13,790	
17	3/4"		12		2	1,038.02	12,456		32.63	392	
18	1"		96		1,389	12.87	1,236		54.38	5,220	
19	1-1/2"		48		816	50.42	2,420		108.76	5,220	
20	2"		48		3,176	79.61	3,821		174.01	8,352	
21	3"		0		0	-	0		348.02	0	
22	4"		12		472	324.41	3,893		543.79	6,525	
23											
24	Gallorage				21,724	2.07	45,017	21,724	2.84	61,696	
25	Total Commercial		850		21,724		74,757	21,724		101,196	
26	Average Bill						87.95			119.05	
27 Multi-Family											
28	5/8" X 3/4"		0		0	-	0		21.75	0	
29	3/4"		0		0	-	0		32.63	0	
30	1"		0		0	-	0		54.38	0	
31	1-1/2"		0		0	-	0		108.76	0	
32	2"		0		0	-	0		174.01	0	
33	3"		0		0	-	0		348.02	0	
34	4"		0		0	-	0		543.79	0	
35											
36	Gallorage				0	-	0	0	2.84	0	
37	Total Multi-Family		0		0		0	0		0	
38	Average Bill						0.00			0.00	
39 Fire Protection											
40	2"		0			-	0		43.50	0	
41	3"		0			-	0		87.01	0	
42	4"		0			-	0		135.95	0	
43	6"		0			-	0		271.89	0	
44	8"		0			-	0		435.03	0	
45	10"		0			-	0		625.36	0	
46	Per Hydrant		0			-	0		-	0	
47	Total Fire Protection		0				0			0	
48	Average Bill						0.00			0.00	
49	Subtotals		18,282		128,013		341,706			813,873	
50	Misc. Service Charge						6,681			9,873	
51	Total Revenue						<u>348,387</u>			<u>823,746</u>	

Projected Test Year Revenue Calculation

Florida Public Service Commission

Polk County Total
 Docket No. 060368-WS
 Schedule Year End: 12/31/2007
 Water [] or Sewer [X]

Number of Sewer Systems: 3

Schedule: E-13s
 Page: 1 of 1
 Preparer: Jack Schreyer

Explanation: If a projected test year is used, provide a schedule of historical and projected bills and consumption by classification. Include a calculation of each projection factor on a separate schedule, if necessary. List other classes or meter sizes as applicable.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	Class/Meter Size		Proj. Test Year 2007 Bills		Proj. Test Year 2007 Usage		WgtdAvg Present Rates	Proj. 2007 Revenue at Pres. Rates	Proposed Year 2007 Usage	Proposed County Rates	Projected 2007 Rev. Req.
1	Residential										
2	5/8" X 3/4"		4,932		17,710		24.09	118,795		100.58	496,061
3	3/4"		0		0		-	0		150.87	0
4	1"		0		0		-	0		251.45	0
5	1-1/2"		0		0		-	0		502.90	0
6	2"		0		0		-	0		804.63	0
7	3"		0		0		-	0		1,609.27	0
8	4"		0		0		-	0		2,514.48	0
9	Gallorage cap (gallons)									6,000	
10	Capped Usage				17,710		0.30	5,281	19,210	7.72	148,301
11	Usage Above Cap				12,690				11,190		0
12											0
13	Total Residential		4,932		30,400			124,075	30,400		644,362
14	Average Bill							25.16			130.65
15	Commerical										
16	5/8" X 3/4"		273		13,021		42.73	11,665		100.58	27,458
17	3/4"		0		0		-	0		150.87	0
18	1"		36		142		106.81	3,845		251.45	9,052
19	1-1/2"		60		828		176.23	10,574		502.90	30,174
20	2"		36		2,642		236.76	8,523		804.63	28,967
21	3"		0		0		-	0		1,609.27	0
22	4"		12		0		1,068.03	12,816		2,514.48	30,174
23											
24	Gallorage				17,105		3.46	59,217	17,105	9.26	158,392
25	Total Commercial		417		17,105			106,642	17,105		284,217
26	Average Bill							255.74			681.58
27	Multi-Family										
28	5/8" X 3/4"		0		0		-	0		100.58	0
29	3/4"		0		0		-	0		150.87	0
30	1"		0		0		-	0		251.45	0
31	1-1/2"		0		0		-	0		502.90	0
32	2"		0		0		-	0		804.63	0
33	3"		0		0		-	0		1,609.27	0
34	4"		0		0		-	0		2,514.48	0
35											
36	Gallorage				0		-	0	0	9.26	0
37	Total Multi-Family		0		0			0	0		0
38	Average Bill							0.00			0.00
39	Flat Rate										
40	Res. Wastewater Only		12		0		26.81	322		211.22	2,535
41	Sprinkler Heads		0		0		-	0		-	0
42	Reuse		0		0		-	0		-	0
43	Total Flat Rate - Other							322			2,535
44	Subtotals		5,349		47,505			231,039	47,505		931,114
45	Misc. Service Charge							0			0
46	Total Revenue							<u>231,039</u>			<u>931,114</u>