

Washington County Summary

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Schedule of Water Rate Base

Florida Public Service Commission

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

Number of Water Systems: 1

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) Adjusted Average Balance	(7) <u>Projected Test Year 2007</u>		(8) Adjusted Average Balance	(9) Supporting Schedules
	Average Balance Per Books	(3) Adjustments	Adjustments	Adjustments	Adjustments	Adjustments	Adjustments	Adjustments		
1 Utility Plant in Service	0	2,278,649	2,278,649	176,639	2,455,288	685,456	3,140,745	A-5		
2 Utility Land & Land Rights	0	10,779	10,779	0	10,779	0	10,779	A-5		
3 Less: Non-Used & Useful Plant	0	(901,946)	(901,946)	(54,827)	(956,772)	(293,579)	(1,250,351)	A-7		
4 Construction Work in Progress	0	0	0	0	0	0	0			
5 Less: Accumulated Depreciation	0	(1,054,378)	(1,054,378)	(42,312)	(1,096,690)	(62,592)	(1,159,282)	A-9		
6 Less: CIAC	0	(208,889)	(208,889)	(78,982)	(287,872)	(29,276)	(317,148)	A-12		
7 Accumulated Amortization of CIAC	0	65,938	65,938	5,679	71,616	8,057	79,673	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	35,409	35,409	(1,010)	34,398	21,302	55,700	A-17		
12 Total Rate Base	<u>0</u>	<u>225,562</u>	<u>225,562</u>	<u>5,186</u>	<u>230,747</u>	<u>329,368</u>	<u>560,116</u>			

Schedule of Sewer Rate Base

Florida Public Service Commission

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

Number of Sewer Systems: 1

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.

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			Historical Base Year 2005		Intermediate Year 2006		Projected Test Year 2007			
		Average Balance Per Books	Adjusted Average Balance	Adjustments	Adjusted Average Balance	Adjustments	Adjusted Average Balance	Adjustments	Adjusted Average Balance	Supporting Schedules
1	Utility Plant in Service	0	612,796	612,796	33,309	646,104	165,308	811,413	A-6	
2	Utility Land & Land Rights	0	4,483	4,483	0	4,483	0	4,483	A-6	
3	Less: Non-Used & Useful Plant	0	(81,769)	(81,769)	(6,806)	(88,575)	(81,732)	(170,307)	A-7	
4	Construction Work in Progress	0	0	0	0	0	0	0		
5	Less: Accumulated Depreciation	0	(455,984)	(455,984)	(18,254)	(474,238)	(14,013)	(488,251)	A-10	
6	Less: CIAC	0	(2,397)	(2,397)	(2,400)	(4,797)	(13,650)	(18,447)	A-12	
7	Accumulated Amortization of CIAC	0	1,547	1,547	139	1,687	398	2,084	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	43,412	43,412	(1,906)	41,505	4,275	45,780	A-17	
12	Total Rate Base	0	122,087	122,087	4,082	126,169	60,586	186,755		

Schedule of Water Net Operating Income

Florida Public Service Commission

Washington County Total
Docket No. 060368-WS

Number of Water Systems: 1

Schedule: B-1
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	189,612	447	190,059	25,093	215,153	18,668	233,820	99,688	333,509	B-4
2	Operation & Maintenance	140,650	4,365	145,015	(203)	144,812	42,427	187,238	1,472	188,711	B-5
3	Depreciation, net of CIAC Amort.	0	18,349	18,349	5,445	23,794	17,948	41,742	0	41,742	B-13
4	Amortization	0	0	0	3,457	3,457	0	3,457	0	3,457	
5	Taxes Other Than Income	27,068	(9,681)	17,387	7,960	25,346	5,126	30,472	4,486	34,958	B-15
6	Provision for Income Taxes	8,446	5,502	13,948	(3,479)	10,469	(21,529)	(11,060)	31,077	20,017	C-1
7	OPERATING EXPENSES	<u>176,163</u>	<u>18,535</u>	<u>194,698</u>	<u>13,180</u>	<u>207,878</u>	<u>43,971</u>	<u>251,850</u>	<u>37,035</u>	<u>288,885</u>	
8	NET OPERATING INCOME	<u>13,449</u>	<u>(18,088)</u>	<u>(4,639)</u>	<u>11,913</u>	<u>7,275</u>	<u>(25,304)</u>	<u>(18,029)</u>	<u>62,653</u>	<u>44,624</u>	
9	RATE BASE	<u>0</u>	<u>225,562</u>	<u>225,562</u>	<u>5,186</u>	<u>230,747</u>	<u>329,368</u>	<u>560,116</u>	<u>0</u>	<u>560,116</u>	A-1
10	RATE OF RETURN	<u>-</u>	<u>-</u>	<u>-2.06%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7.97%</u>	

Requested Revenue Increase: 42.6%

Schedule of Sewer Net Operating Income

Florida Public Service Commission

Washington County Total
Docket No. 060368-WS

Number of Sewer Systems: 1

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	89,525	1,157	90,683	3,132	93,815	5,283	99,097	38,316	137,413	B-4
2	Operation & Maintenance	77,007	1,490	78,497	(5,482)	73,015	12,301	85,316	566	85,882	B-6
3	Depreciation, net of CIAC Amort.	0	8,700	8,700	1,570	10,270	5,395	15,665	0	15,665	B-14
4	Amortization	0	0	0	991	991	0	991	0	991	
5	Taxes Other Than Income	10,887	(1,903)	8,984	1,528	10,512	1,247	11,759	1,724	13,484	B-15
6	Provision for Income Taxes	466	(2,086)	(1,621)	1,157	(463)	(5,993)	(6,456)	13,049	6,593	C-1
7	OPERATING EXPENSES	88,360	6,201	94,561	(236)	94,324	12,951	107,275	15,339	122,614	
8	NET OPERATING INCOME	1,165	(5,043)	(3,878)	3,368	(509)	(7,669)	(8,178)	22,977	14,799	
9	RATE BASE	0	122,087	122,087	4,082	126,169	60,586	186,755		186,755	A-2
10	RATE OF RETURN	-		-3.18%						7.92%	

Requested Revenue Increase: 38.7%

Schedule of Requested Cost of Capital

Florida Public Service Commission

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

Number of Water Systems: 1
 Number of Sewer Systems: 1

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.	Reconciled To Requested Rate Base	Ratio	Cost Rate	Weighted Cost Rate	Cost	Supporting Schedules	
WATER							
1	Long-Term Debt	209,977	37.49%	6.00%	2.25%	12,599	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	314,966	56.23%	10.12%	5.69%	31,875	D-2
5	Customer Deposits	2,558	0.46%	6.00%	0.03%	153	D-2
6	Accumulated Deferred Income Taxes	32,614	5.82%	0.00%	0.00%	0	D-2
7	Total	<u>560,116</u>	<u>100.00%</u>		<u>7.97%</u>	<u>44,627</u>	
SEWER							
8	Long-Term Debt	69,154	37.03%	6.00%	2.22%	4,149	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	103,732	55.54%	10.12%	5.62%	10,498	D-2
12	Customer Deposits	2,558	1.37%	6.00%	0.08%	153	D-2
13	Accumulated Deferred Income Taxes	11,311	6.06%	0.00%	0.00%	0	D-2
14	Total	<u>186,755</u>	<u>100.00%</u>		<u>7.93%</u>	<u>14,800</u>	

Rate Schedule - Proposed Rates

Florida Public Service Commission

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

Number of Water Systems: 1
 Number of Sewer Systems: 1

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						
1	Residential			SEWER		
2	5/8" X 3/4"		24.15	5/8" X 3/4"		33.97
3	3/4"		36.23	3/4"		50.95
4	1"		60.38	1"		84.92
5	1-1/2"		120.77	1-1/2"		169.84
6	2"		193.23	2"		271.75
7	3"		386.45	3"		543.50
8	4"		603.83	4"		849.22
9	6"		1,207.66	6"		1,698.44
10	8"		1,932.26	8"		2,717.50
11	10"		2,777.62	10"		3,906.41
12	Gallorage charge					
13	Block 1		4.34	Gallorage cap (gallons)		6,000
14	Block 2		5.43	Gallorage charge		9.25
15	Block 3		-			
General Service						
16	General Service			General Service		
17	5/8" X 3/4"		24.15	5/8" X 3/4"		33.97
18	3/4"		36.23	3/4"		50.95
19	1"		60.38	1"		84.92
20	1-1/2"		120.77	1-1/2"		169.84
21	2"		193.23	2"		271.75
22	3"		386.45	3"		543.50
23	4"		603.83	4"		849.22
24	6"		1,207.66	6"		1,698.44
25	8"		1,932.26	8"		2,717.50
26	10"		2,777.62	10"		3,906.41
27	Gallorage charge		4.34	Gallorage charge		11.10
Fire Protection						
28	Fire Protection			Flat Rate		
29	2"		48.31	Res. Wastewater Only		71.33
30	3"		96.61	Sprinkler Heads		-
31	4"		150.96	Reuse		-
32	6"		301.92			
33	8"		483.07			
34	10"		694.41			

Projected Test Year Revenue Calculation

Florida Public Service Commission

Washington County Total Number of Water Systems: 1
 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.

Line No.	(1) Class/Meter Size	(2) (3) Proj. Test Year 2007 Bills	(4) (5) (6) Proj. Test Year 2007 Consump.	(7) WgtdAvg Present Rates	(8) Proj. 2007 Revenue at Pres. Rates	(9) Conserv. Gallons	(10) Proposed County Rates	(11) Projected 2007 Rev. Req.
1	Residential							
2	5/8" X 3/4"	6,667	28,697	11.70	78,004		24.15	161,008
3	3/4"	0	0	-	0		36.23	0
4	1"	132	445	29.27	3,864		60.38	7,970
5	1-1/2"	0	0	-	0		120.77	0
6	2"	0	0	-	0		193.23	0
7	3"	0	0	-	0		386.45	0
8	4"	0	0	-	0		603.83	0
9	Gallorage							
10	Block 1		29,142	4.51	131,431	20,940	4.34	90,880
11	Block 2		0	-	0	8,202	5.43	44,538
12	Block 3		0	-	0	0	-	0
13	Total Residential	6,799	29,142		213,299	29,142		304,395
14	Average Bill				31.37			44.77
15	Commerical							
16	5/8" X 3/4"	69	607	11.70	807		24.15	1,666
17	3/4"	0	0	-	0		36.23	0
18	1"	60	1,069	29.27	1,756		60.38	3,623
19	1-1/2"	24	432	58.54	1,405		120.77	2,898
20	2"	36	339	93.67	3,372		193.23	6,956
21	3"	0	0	-	0		386.45	0
22	4"	0	0	-	0		603.83	0
23								
24	Gallorage		2,447	4.51	11,036	2,447	4.34	10,620
25	Total Commercial	189	2,447		18,377	2,447		25,764
26	Average Bill				97.23			136.32
27	Multi-Family							
28	5/8" X 3/4"	0	0	-	0		24.15	0
29	3/4"	0	0	-	0		36.23	0
30	1"	0	0	-	0		60.38	0
31	1-1/2"	0	0	-	0		120.77	0
32	2"	0	0	-	0		193.23	0
33	3"	0	0	-	0		386.45	0
34	4"	0	0	-	0		603.83	0
35								
36	Gallorage		0	-	0	0	4.34	0
37	Total Multi-Family	0	0		0	0		0
38	Average Bill				0.00			0.00
39	Fire Protection							
40	2"	0	0	-	0		48.31	0
41	3"	0	0	-	0		96.61	0
42	4"	0	0	-	0		150.96	0
43	6"	0	0	-	0		301.92	0
44	8"	0	0	-	0		483.07	0
45	10"	0	0	-	0		694.41	0
46	Per Hydrant	0	0	-	0		-	0
47	Total Fire Protection	0	0		0			0
48	Average Bill				0.00			0.00
49	Subtotals	6,988	31,589		231,675			330,159
50	Misc. Service Charge				2,145			3,366
51	Total Revenue				<u>233,820</u>			<u>333,525</u>

Projected Test Year Revenue Calculation

Florida Public Service Commission

Washington County Total Number of Sewer Systems: 1
 Docket No. 060368-WS
 Schedule Year End: 12/31/2007
 Water [] or Sewer [X]

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.

Line No.	(1) Class/Meter Size	(2) (3) Proj. Test Year 2007 Bills	(4) (5) (6) Proj. Test Year 2007 Usage	(7) WgtdAvg Present Rates	(8) Proj. 2007 Revenue at Pres. Rates	(9) Proposed Year 2007 Usage	(10) Proposed County Rates	(11) Projected 2007 Rev. Req.
1	Residential							
2	5/8" X 3/4"	2,219	6,484	19.74	43,803		33.97	75,379
3	3/4"	0	0	-	0		50.95	0
4	1"	0	0	-	0		84.92	0
5	1-1/2"	0	0	-	0		169.84	0
6	2"	0	0	-	0		271.75	0
7	3"	0	0	-	0		543.50	0
8	4"	0	0	-	0		849.22	0
9	<i>Gallage cap (gallons)</i>						6,000	
10	<i>Capped Usage</i>		6,484	8.31	53,881	6,484	9.25	59,977
11	<i>Usage Above Cap</i>		1,171			1,171		0
12								0
13	Total Residential	2,219	7,655		97,684	7,655		135,356
14	Average Bill				44.02			61.00
15	Commerical							
16	5/8" X 3/4"	9	4	19.74	178		33.97	306
17	3/4"	0	0	-	0		50.95	0
18	1"	0	0	-	0		84.92	0
19	1-1/2"	0	0	-	0		169.84	0
20	2"	0	0	-	0		271.75	0
21	3"	0	0	-	0		543.50	0
22	4"	0	0	-	0		849.22	0
23								
24	<i>Gallage</i>		4	10.01	40	4	11.10	44
25	Total Commercial	9	4		218	4		350
26	Average Bill				24.19			38.90
27	Multi-Family							
28	5/8" X 3/4"	0	0	-	0		33.97	0
29	3/4"	0	0	-	0		50.95	0
30	1"	0	0	-	0		84.92	0
31	1-1/2"	0	0	-	0		169.84	0
32	2"	0	0	-	0		271.75	0
33	3"	0	0	-	0		543.50	0
34	4"	0	0	-	0		849.22	0
35								
36	<i>Gallage</i>		0	-	0	0	11.10	0
37	Total Multi-Family	0	0		0	0		0
38	Average Bill				0.00			0.00
39	Flat Rate							
40	Res. Wastewater Only	24	0	49.81	1,195		71.33	1,712
41	Sprinkler Heads	0	0	-	0		-	0
42	Reuse	0	0	-	0		-	0
43	Total Flat Rate - Other				1,195			1,712
44	Subtotals	2,228	7,659		99,097	7,659		137,418
45	Misc. Service Charge				0			0
46	Total Revenue				<u>99,097</u>			<u>137,418</u>