

**Palm Terrace
Water and Sewer**

Docket No. 080121-WS

Application to Increase Rates and Charges
For a "Class A" Utility
In

Pasco County, Florida

VOLUME 1

Containing
Financial, Rate and Engineering
Minimum Filing Requirements

Historical Test Year Ending December 31, 2007

Year-End Balances and 13-Month Averages

- CMP _____
- COM _____
- CTR _____
- ECR** _____
- GCL _____
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC _____
- OTH _____

Aqua Utilities Florida, Inc.

Filed May 2008

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**Palm Terrace
RATE BASE**

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Schedule of Water Rate Base

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical 2007 & Pro Forma

Schedule: A-1

Page: 1 of 1

Preparer: R Griffin/J Guastella

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.	(2) Description	(3) Historical Test Year 2007		(5) Pro Forma Test Year		(7) Supporting Schedules	
		(4) Average Balance Per Books	(3) Adjustments	(4) Adjusted Average Balance	(5) Adjustments		(6) Adjusted Average Balance
1	Utility Plant in Service	280,449	61,998	342,448	203,659	546,106	A-5
2	Utility Land & Land Rights	23,477	0	23,477	0	23,477	A-5
3	Less: Non-Used & Useful Plant	0	0	0	0	0	A-7
4	Construction Work in Progress	0	0	0	0	0	
5	Less: Accumulated Depreciation	(87,349)	(8,857)	(96,206)	52,286	(43,920)	A-9
6	Less: CIAC	(138,725)	0	(138,725)	0	(138,725)	A-12
7	Accumulated Amortization of CIAC	94,626	(243)	94,383	0	94,383	A-14
8	Acquisition Adjustments	0	0	0	0	0	
9	Less: Accum. Amort. of Acq. Adjustments	0	0	0	0	0	
10	Less: Advances For Construction		0	0	0	0	A-16
11	Working Capital Allowance	0	129,644	129,644	48,549	178,192	A-17, A-3
12	Total Rate Base	172,478	182,542	355,020	304,493	659,513	

Schedule of Sewer Rate Base

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007
 Historical 2007 & Pro Forma

Schedule: A-2
 Page: 1 of 1
 Preparer: R Griffin/J Guastella

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.	(1) Description	(2) Historical Test Year 2007			(5) Pro Forma Test Year		(7) Supporting Schedules
		(3) Average Balance Per Books	(4) Adjusted Average Balance	(6) Adjusted Average Balance	(5) Adjustments	(6) Adjusted Average Balance	
1	Utility Plant in Service	1,088,918	57,553	1,146,471	15,880	1,162,351	A-6
2	Utility Land & Land Rights	70,890	0	70,890	0	70,890	A-6
3	Less: Non-Used & Useful Plant	0	0	0	0	0	A-7
4	Construction Work in Progress	0	0	0	0	0	
5	Less: Accumulated Depreciation	(284,379)	(7,766)	(292,144)	(55)	(292,199)	A-10
6	Less: CIAC	(343,607)	0	(343,607)	0	(343,607)	A-12
7	Accumulated Amortization of CIAC	294,772	(4,650)	290,122	0	290,122	A-14
8	Acquisition Adjustments	0	0	0	0	0	
9	Less: Accum. Amort. of Acq. Adjustments	0	0	0	0	0	
10	Less: Advances For Construction		0	0	0	0	A-16
11	Working Capital Allowance	0	112,526	112,526	41,958	154,484	A-17, A-3
12	Total Rate Base	<u>826,595</u>	<u>157,663</u>	<u>984,258</u>	<u>57,784</u>	<u>1,042,042</u>	

Schedule of Adjustments to Rate Base

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected [X]

Schedule: A-3

Page: 1 of 2

Preparer: R Griffin/J Guastella

Explanation: Provide a detailed description of all adjustments to rate base per books, with a total for each rate base line item.

Line No.	(1) Description	(2) Water	(3) Sewer	(4) Supporting Schedules
1	UTILITY PLANT IN SERVICE			A-5, A-6
2	Allocation of Corporate IT	59,661	51,562	
3	Allocation of Corp Structures & Improvements	6,932	5,991	
4		-	-	
5	Entity Reclassification	(4,594)	-	
6	Total 2007 Adjustments	<u>61,998</u>	<u>57,553</u>	
7				
8	Pro Forma Adjustments			
9	Allocation of Corporate IT	18,375	15,880	
10	Meter replacement cost	246,330	NA	
11	(Less) Retirement of existing meters	(61,046)	NA	
12		-	-	
13		-	-	
14		-	-	
15		-	-	
16	Total Pro Forma Adjustments	<u>203,659</u>	<u>15,880</u>	
17				
18	UTILITY LAND & LAND RIGHTS			A-5, A-6
19		-	-	
20	Total 2007 Adjustments	<u>-</u>	<u>-</u>	
21				
22	NON-USED & USEFUL			A-7
23	To reflect calculated Adjusted NU&U amounts	-	-	
24		-	-	
25	CONSTRUCTION WORK IN PROGRESS			
26	Not Applicable	-	-	
27		-	-	
28	ACCUMULATED DEPRECIATION			A-9, A-10
29	Allocation of Corporate IT	8,166	7,057	
30	Allocation of Corp Structures & Improvements	712	615	
31		-	-	
32	PSC Depr Rate Correction	(21)	93	
33		-	-	
34	Total 2007 Adjustments	<u>8,857</u>	<u>7,766</u>	
35				
36	Pro Forma Adjustments			
37	New PCs, Network & Telephone Upgrade	63	55	
38	Meter Replacements			
39	Retirement of existing meters	(61,046)	NA	
40	6 Month Net Acc Depr (Addns less Retirements)	4,632	NA	
41	Salvage	4,064	NA	
42		-	-	
43		-	-	
44		-	-	
45		-	-	
46	Total Pro Forma Adjustments	<u>(52,286)</u>	<u>55</u>	
47				

Schedule of Adjustments to Rate Base

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007
 Historical [X] Projected [X]

Schedule: A-3
 Page: 2 of 2
 Preparer: R Griffin/J Guastella

Explanation: Provide a detailed description of all adjustments to rate base per books, with a total for each rate base line item.

Line No.	(1) Description	(2) Water	(3) Sewer	(4) Supporting Schedules
1	CIAC			A-12
2		-	-	
3	Total 2007 Adjustments	-	-	
4				
5	Pro Forma Adjustments			
6				
7	Total Pro Forma Adjustments	-	-	
8				
9	ACCUMULATED AMORTIZATION OF CIAC			A-14
10		-	-	
11	PSC Depr Rate Correction	(243)	(4,650)	
12	Total 2007 Adjustments	(243)	(4,650)	
13				
14	Pro Forma Adjustments			
15				
16	Total Pro Forma Adjustments	-	-	
17				
18	ACQUISITION ADJUSTMENTS			
19	Not Applicable	-	-	
20				
21	ACCUMULATED AMORT. OF ACQ. ADJUSTMENTS			
22	Not Applicable	-	-	
23				
24	ADVANCES FOR CONSTRUCTION			A-16
25	Not Applicable	-	-	
26				
27	WORKING CAPITAL ALLOWANCE			A-17
28				
29	2007 Based on Balance Sheet method; details A-17	129,644	112,526	
30				
31	Pro Forma Adjustments			
32	Deferred Rate Case Expense	48,549	41,958	

**Schedule of Water and Sewer Plant In Service
Annual Balances Subsequent to Last Established Rate Base**

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Schedule: A-4
Page: 1 of 2
Preparer: R Griffin

Explanation: Provide the annual balance of the original cost of Water plant in service, for water and sewer separately, for all years since either rate base was last established by this Commission; or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions, retirements, and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary. If a projected test year is used, include the projected annual additions and/or retirements specifically identifying those amounts.

Line No.	(1) Description	(2) Water Year End Balance	(3) Sewer Year End Balance
The balances for this system begin June 30, 2004 in accordance with PSC Amendatory Order			
1	12/31/95 Balance		
	1996		
2	Additions		
3	Retirements		
4	Adjustments		
5	12/31/96 Balance	_____	_____
	1997		
6	Additions		
7	Retirements		
8	Adjustments		
9	12/31/97 Balance	_____	_____
	1998		
10	Additions		
11	Retirements		
12	Adjustments		
13	12/31/98 Balance	_____	_____
	1999		
14	Additions		
15	Retirements		
16	Adjustments		
17	12/31/99 Balance	_____	_____
	2000		
18	Additions		
19	Retirements		
20	Adjustments		
21	12/31/00 Balance	_____	_____
	2001		
22	Additions		
23	Retirements		
24	Adjustments		
25	12/31/01 Balance	_____	_____

**Schedule of Water and Sewer Plant In Service
Annual Balances Subsequent to Last Established Rate Base**

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
Projected Test Year Ending 12/31/07

Schedule: A-4
Page: 2 of 2
Preparer: R Griffin

Explanation: Schedule A-4 continued

Line No.	(1) Description	(2) Water Year End Balance	(3) Sewer Year End Balance
	2002		
26	Additions		
27	Retirements		
28	Adjustments		
29	12/31/02 Balance		
	2003		
30	Additions		
31	Retirements		
32	Adjustments		
33	06/30/04 Amend. Order Balance	281,671	650,485
	2004		
34	Additions	0	0
35	Retirements	0	0
36	Adjustments	5,969	(5,968)
37	12/31/04 Balance	287,640	644,517
	2005		
38	Additions	0	0
39	Retirements	0	0
40	Adjustments	0	0
41	12/31/05 Balance	287,640	644,517
	2006		
42	Additions	70,133	528,211
43	Retirements	(32,982)	(77,072)
44	Adjustments	0	0
45	12/31/06 Balance	324,791	1,095,656
	2007		
46	Additions	14,905	288,728
47	Retirements	(45,106)	(20,707)
48	Adjustments	0	0
49	Allocations	77,736	67,184
50	12/31/07 Balance	372,327	1,430,860

Supporting Schedules: A-5, A-6

Schedule of Water Plant in Service By Primary Account

Florida Public Service Commission

Test Year Average balance

Palm Terrace

Schedule: A-5

Docket No. 080121-WS

Page: 1 of 3

Historical Test Year Ending December 31, 2007

Preparer: R Griffin/J Guastella

Historical 2007 & Pro Forma

Explanation: Provide the Average Water Plant in Service by Primary Account and the calculation of the Average Non-Used and Useful Plant in Service.

Line No.	Acct No.	(1) Account Name	(2) Historical Test Year 2007			(5) Pro Forma Adjustments		
			(4) Adjusted Balance	(3) Non-Used & Useful %	(4) Balance	(5) Amount	(6) Non-Used & Useful %	(7) Amount
1		INTANGIBLE PLANT						
2	301.1	Organization	552	0.00%	0	0	0.00%	0
3	302.1	Franchises	3,283	0.00%	0	0	0.00%	0
4	339.1	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
5		SOURCE OF SUPPLY & PUMPING PLANT						
6	303.2	Land & Land Rights	18,595	0.00%	0	0	0.00%	0
7	304.2	Structures & Improvements	0	0.00%	0	0	0.00%	0
8	305.2	Collect. & Impound Reservoirs	0	0.00%	0	0	0.00%	0
9	306.2	Lake, River & Other Intakes	0	0.00%	0	0	0.00%	0
10	307.2	Wells & Springs	8,689	0.00%	0	0	0.00%	0
11	308.2	Infiltration Galleries & Tunnels	0	0.00%	0	0	0.00%	0
12	309.2	Supply Mains	21,052	0.00%	0	0	0.00%	0
13	310.2	Power Generation Equipment	0	0.00%	0	0	0.00%	0
14	311.2	Pumping Equipment	7,644	0.00%	0	0	0.00%	0
15	339.2	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
16		WATER TREATMENT PLANT						
17	303.3	Land & Land Rights	339	0.00%	0	0	0.00%	0
18	304.3	Structures & Improvements	7,858	0.00%	0	0	0.00%	0
19	311.3	Pumping Equipment	0	0.00%	0	0	0.00%	0
20	320.3	Water Treatment Equipment	0	0.00%	0	0	0.00%	0
21	339.3	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
22		TRANSMISSION & DISTRIBUTION PLANT						
23	303.4	Land & Land Rights	0	0.00%	0	0	0.00%	0
24	304.4	Structures & Improvements	0	0.00%	0	0	0.00%	0
25	311.4	Pumping Equipment	0	0.00%	0	0	0.00%	0
26	330.4	Distr. Reservoirs & Standpipes	10,000	0.00%	0	0	0.00%	0
27	331.4	Transm. & Distribution Mains	134,176	0.00%	0	0	0.00%	0
28	333.4	Services	5,757	0.00%	0	0	0.00%	0
29	334.4	Meters & Meter Installations	61,007	0.00%	0	185,284	0.00%	0
30	335.4	Hydrants	0	0.00%	0	0	0.00%	0
31	336.4	Backflow Prevention	0	0.00%	0	0	0.00%	0
32	339.4	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
33		GENERAL PLANT						
34	303.5	Land & Land Rights	4,543	0.00%	0	0	0.00%	0
35	304.5	Structures & Improvements	6,932	0.00%	0	0	0.00%	0
36	340.5	Office Furniture & Equipment	0	0.00%	0	0	0.00%	0
37	340.51	Computer Equipment	59,661	0.00%	0	18,375	0.00%	0
38	341.5	Transportation Equipment	0	0.00%	0	0	0.00%	0
39	342.5	Stores Equipment	0	0.00%	0	0	0.00%	0
40	343.5	Tools, Shop & Garage Equipment	7,599	0.00%	0	0	0.00%	0
41	344.5	Laboratory Equipment	2,613	0.00%	0	0	0.00%	0
42	345.5	Power Operated Equipment	0	0.00%	0	0	0.00%	0
43	346.5	Communication Equipment	0	0.00%	0	0	0.00%	0
44	347.5	Miscellaneous Equipment	5,625	0.00%	0	0	0.00%	0
45	348.5	Other Tangible Plant	0	0.00%	0	0	0.00%	0
46		TOTAL	<u>365,925</u>		<u>0</u>	<u>203,659</u>		<u>0</u>

Schedule of Water Plant in Service By Primary Account

Florida Public Service Commission

Test Year Average balance

Palm Terrace

Schedule: A-5

Docket No. 080121-WS

Page: 2 of 3

Historical Test Year Ending December 31, 2007

Preparer: R Griffin/J Guastella

Historical [X] Projected []

Explanation: Provide the month ending Per Books balances for Water Plant in Service by primary account for each month of the Historical Test Year and the ending balance for the prior year.

Line No.	Acct No.	(1) Account Name	(2) Prior Year 12/2006	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) 12/2007	(15) Average Balance
1		INTANGIBLE PLANT														
2	301.1	Organization	552	552	552	552	552	552	552	552	552	552	552	552	552	552
3	302.1	Franchises	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283
4	339.1	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		SOURCE OF SUPPLY & PUMPING PLANT														
6	303.2	Land & Land Rights	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595
7	304.2	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	305.2	Collect. & Impound Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	306.2	Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	307.2	Wells & Springs	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689
11	308.2	Infiltration Galleries & Tunnels	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	309.2	Supply Mains	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052
13	310.2	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	311.2	Pumping Equipment	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644
15	339.2	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		WATER TREATMENT PLANT														
17	303.3	Land & Land Rights	339	339	339	339	339	339	339	339	339	339	339	339	339	339
18	304.3	Structures & Improvements	33,558	33,624	33,624	135	135	135	135	135	135	135	135	135	135	7,858
19	311.3	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	320.3	Water Treatment Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	339.3	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		TRANSMISSION & DISTRIBUTION PLANT														
23	303.4	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	304.4	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	311.4	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	330.4	Distr. Reservoirs & Standpipes	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
27	331.4	Transm. & Distribution Mains	134,683	132,652	132,652	132,652	132,652	132,652	132,652	132,652	132,652	137,096	137,096	137,096	137,096	134,176
28	333.4	Services	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757
29	334.4	Meters & Meter Installations	60,537	61,046	61,046	61,046	61,046	61,046	61,046	61,046	61,046	61,046	61,046	90,910	90,910	65,601
30	335.4	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	336.4	Backflow Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	339.4	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33		GENERAL PLANT														
34	303.5	Land & Land Rights	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543
35	304.5	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	340.5	Office Furniture & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	340.51	Computer Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38	341.5	Transportation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	342.5	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	343.5	Tools, Shop & Garage Equipment	7,362	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,599
41	344.5	Laboratory Equipment	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613
42	345.5	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	346.5	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	347.5	Miscellaneous Equipment	5,585	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,625
45	348.5	Other Tangible Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46		TOTAL	324,791	323,637	323,637	290,147	290,147	290,147	290,147	290,147	290,147	294,591	294,591	324,455	324,455	303,926
47		Subtotal Land & Land Rights	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477

Schedule of Water Plant in Service By Primary Account

Test Year Average balance

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Florida Public Service Commission

Schedule: A-5

Page: 3 of 3

Preparer: R Griffin/J Guastella

Explanation: Provide the month ending Adjusted balances for Water Plant in Service by primary account for each month of the Test Year and the ending balance for the prior year.

Line No.	Acct No.	(1) Account Name	(2) Prior Year 12/2006	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) 12/2007	(15) Average Balance
1		INTANGIBLE PLANT														
2	301.1	Organization	552	552	552	552	552	552	552	552	552	552	552	552	552	552
3	302.1	Franchises	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283	3,283
4	339.1	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		SOURCE OF SUPPLY & PUMPING PLANT														
6	303.2	Land & Land Rights	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595	18,595
7	304.2	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	305.2	Collect. & Impound Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	306.2	Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	307.2	Wells & Springs	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689
11	308.2	Infiltration Galleries & Tunnels	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	309.2	Supply Mains	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052	21,052
13	310.2	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	311.2	Pumping Equipment	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644	7,644
15	339.2	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		WATER TREATMENT PLANT														
17	303.3	Land & Land Rights	339	339	339	339	339	339	339	339	339	339	339	339	339	339
18	304.3	Structures & Improvements	33,558	33,624	33,624	135	135	135	135	135	135	135	135	135	135	7,858
19	311.3	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	320.3	Water Treatment Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	339.3	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		TRANSMISSION & DISTRIBUTION PLANT														
23	303.4	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	304.4	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	311.4	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	330.4	Distr. Reservoirs & Standpipes	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
27	331.4	Transm. & Distribution Mains	134,683	132,652	132,652	132,652	132,652	132,652	132,652	132,652	132,652	137,096	137,096	137,096	137,096	134,176
28	333.4	Services	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757	5,757
29	334.4	Meters & Meter Installations	60,537	61,046	61,046	61,046	61,046	61,046	61,046	61,046	61,046	61,046	61,046	61,046	61,046	61,007
30	335.4	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	336.4	Backflow Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	339.4	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33		GENERAL PLANT														
34	303.5	Land & Land Rights	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543	4,543
35	304.5	Structures & Improvements	6,705	6,841	6,841	6,841	6,841	7,005	7,005	7,005	7,005	7,005	7,005	7,005	7,005	6,932
36	340.5	Office Furniture & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	340.51	Computer Equipment	47,129	49,299	53,716	54,343	55,916	57,123	59,042	60,313	64,219	66,644	67,231	69,891	70,731	59,661
38	341.5	Transportation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	342.5	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	343.5	Tools, Shop & Garage Equipment	7,362	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,619	7,599
41	344.5	Laboratory Equipment	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613
42	345.5	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	346.5	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	347.5	Miscellaneous Equipment	5,585	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,628	5,625
45	348.5	Other Tangible Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46		TOTAL	378,626	379,777	384,194	351,332	352,904	354,276	356,194	357,465	361,371	368,240	368,827	371,487	372,327	365,925
47		Subtotal Land & Land Rights	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477	23,477

Schedule of Sewer Plant in Service By Primary Account

Florida Public Service Commission

Test Year Average balance

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical 2007 & Pro Forma

Schedule: A-6

Page: 1 of 3

Preparer: R Griffin/J Guastella

Explanation: Provide the Average Sewer Plant in Service by Primary Account and the calculation of the Average Non-Used and Useful Plant in Service

Line No.	Acct No.	(1) Account Name	(2) (3) (4) Historical Test Year 2007			(5) (6) (7) Pro Forma Adjustments		
			Adjusted Balance	Non-Used & Useful		Amount	Non-Used & Useful	
				%	Balance		%	Amount
1		INTANGIBLE PLANT						
2	351.1	Organization	552	0.00%	0	0	0.00%	0
3	352.1	Franchises	2,878	0.00%	0	0	0.00%	0
4	389.1	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
5		COLLECTION PLANT						
6	353.2	Land & Land Rights	0	0.00%	0	0	0.00%	0
7	354.2	Structures & Improvements	0	0.00%	0	0	0.00%	0
8	355.2	Power Generation Equipment	0	0.00%	0	0	0.00%	0
9	360.2	Collection Sewers - Force	309,147	0.00%	0	0	0.00%	0
10	361.2	Collection Sewers - Gravity	232,422	0.00%	0	0	0.00%	0
11	362.2	Special Collecting Structures	0	0.00%	0	0	0.00%	0
12	363.2	Services to Customers	2,099	0.00%	0	0	0.00%	0
13	364.2	Flow Measuring Devices	8,897	0.00%	0	0	0.00%	0
14	365.2	Flow Measuring Installations	0	0.00%	0	0	0.00%	0
15	389.2	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
16		SYSTEM PUMPING PLANT						
17	353.3	Land & Land Rights	0	0.00%	0	0	0.00%	0
18	354.3	Structures & Improvements	22,532	0.00%	0	0	0.00%	0
19	355.3	Power Generation Equipment	0	0.00%	0	0	0.00%	0
20	370.3	Receiving Wells	13,851	0.00%	0	0	0.00%	0
21	371.3	Pumping Equipment	61,672	0.00%	0	0	0.00%	0
22	389.3	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
23		TREATMENT AND DISPOSAL PLANT						
24	353.4	Land & Land Rights	70,890	0.00%	0	0	0.00%	0
25	354.4	Structures & Improvements	110,346	0.00%	0	0	0.00%	0
26	355.4	Power Generation Equipment	0	0.00%	0	0	0.00%	0
27	380.4	Treatment & Disposal Equipment	148,607	0.00%	0	0	0.00%	0
28	381.4	Plant Sewers	171,193	0.00%	0	0	0.00%	0
29	382.4	Outfall Sewer Lines	0	0.00%	0	0	0.00%	0
30	389.4	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
31		RECLAIMED WATER TREATMENT PLANT						
32	353.5	Land & Land Rights	0	0.00%	0	0	0.00%	0
33	354.5	Structures & Improvements	0	0.00%	0	0	0.00%	0
34	355.5	Power Generation Equipment	0	0.00%	0	0	0.00%	0
35	371.5	Pumping Equipment	0	0.00%	0	0	0.00%	0
36	374.5	Reuse Distribution Reservoirs	0	0.00%	0	0	0.00%	0
37	380.5	Treatment & Disposal Equipment	476	0.00%	0	0	0.00%	0
38	381.5	Plant Sewers	0	0.00%	0	0	0.00%	0
39	389.5	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
40		RECLAIMED WATER DISTRIBUTION PLANT						
41	352.6	Franchises	0	0.00%	0	0	0.00%	0
42	353.6	Land & Land Rights	0	0.00%	0	0	0.00%	0
43	354.6	Structures & Improvements	0	0.00%	0	0	0.00%	0
44	355.6	Power Generation Equipment	0	0.00%	0	0	0.00%	0
45	366.6	Reuse Services	0	0.00%	0	0	0.00%	0
46	367.6	Reuse Meters & Meter Installations	0	0.00%	0	0	0.00%	0
47	371.6	Pumping Equipment	261	0.00%	0	0	0.00%	0
48	375.6	Reuse Transmission & Distr. Sys.	0	0.00%	0	0	0.00%	0
49	389.6	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
50		GENERAL PLANT						
51	353.7	Land & Land Rights	0	0.00%	0	0	0.00%	0
52	354.7	Structures & Improvements	6,523	0.00%	0	0	0.00%	0
53	390.7	Office Furniture & Equipment	0	0.00%	0	0	0.00%	0
54	390.71	Computer Equipment	51,562	0.00%	0	15,880	0.00%	0
55	391.7	Transportation Equipment	0	0.00%	0	0	0.00%	0
56	392.7	Stores Equipment	0	0.00%	0	0	0.00%	0
57	393.7	Tools, Shop & Garage Equipment	400	0.00%	0	0	0.00%	0
58	394.7	Laboratory Equipment	2,613	0.00%	0	0	0.00%	0
59	395.7	Power Operated Equipment	0	0.00%	0	0	0.00%	0
60	396.7	Communication Equipment	0	0.00%	0	0	0.00%	0
61	397.7	Miscellaneous Equipment	440	0.00%	0	0	0.00%	0
62	398.7	Other Tangible Plant	0	0.00%	0	0	0.00%	0
63		TOTAL	1,217,361		0	15,880		0

Schedule of Sewer Plant in Service By Primary Account
 Test Year Average balance
 Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007
 Historical [X] Projected []

Florida Public Service Commission

Schedule: A-6
 Page: 2 of 3
 Preparer: R Griffin/J Guastella

Explanation: Provide the month ending Par Books balances for Sewer Plant in Service by primary account for each month of the Test Year and the ending balance for the prior year.

Line No.	Acct No.	(1) Account Name	(2) Prior Year 12/2006	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) 12/2007	(15) Average Balance
1		INTANGIBLE PLANT														
2	351.1	Organization	552	552	552	552	552	552	552	552	552	552	552	552	552	552
3	352.1	Franchises	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878
4	389.1	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		COLLECTION PLANT														
6	353.2	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	354.2	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	355.2	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	360.2	Collection Sewers - Force	284,560	283,162	283,162	283,162	283,162	283,162	283,162	283,162	283,162	283,162	283,162	451,361	451,361	309,147
10	361.2	Collection Sewers - Gravity	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422
11	362.2	Special Collecting Structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	363.2	Services to Customers	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099
13	364.2	Flow Measuring Devices	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768
14	365.2	Flow Measuring Installations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	389.2	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		SYSTEM PUMPING PLANT														
17	353.3	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	354.3	Structures & Improvements	22,251	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,532
19	355.3	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	370.3	Receiving Wells	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851
21	371.3	Pumping Equipment	57,518	61,600	61,600	61,600	61,600	61,600	61,600	61,600	61,600	61,600	61,600	64,111	64,111	61,672
22	389.3	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		TREATMENT AND DISPOSAL PLANT														
24	353.4	Land & Land Rights	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890
25	354.4	Structures & Improvements	84,859	85,590	85,590	85,590	85,590	85,590	85,590	85,590	85,590	165,611	165,611	165,611	168,094	110,346
26	355.4	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	380.4	Treatment & Disposal Equipment	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,810	148,810	148,607
28	381.4	Plant Sewers	161,669	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,193
29	382.4	Outfall Sewer Lines	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	389.4	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		RECLAIMED WATER TREATMENT PLANT														
32	353.5	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	354.5	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	355.5	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	371.5	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	374.5	Reuse Distribution Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	380.5	Treatment & Disposal Equipment	476	476	476	476	476	476	476	476	476	476	476	476	476	476
38	381.5	Plant Sewers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	389.5	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		RECLAIMED WATER DISTRIBUTION PLANT														
41	352.6	Franchises	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	353.6	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	354.6	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	355.6	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45	366.6	Reuse Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46	367.6	Reuse Meters & Meter Installations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	371.6	Pumping Equipment	309	309	309	309	309	309	309	309	309	309	309	309	309	261
48	375.6	Reuse Transmission & Distr. Sys.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49	389.6	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
50		GENERAL PLANT														
51	353.7	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
52	354.7	Structures & Improvements	533	533	533	533	533	533	533	533	533	533	533	533	533	533
53	390.7	Office Furniture & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
54	390.71	Computer Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55	391.7	Transportation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56	392.7	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57	393.7	Tools, Shop & Garage Equipment	400	400	400	400	400	400	400	400	400	400	400	400	400	400
58	394.7	Laboratory Equipment	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613
59	395.7	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60	396.7	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
61	397.7	Miscellaneous Equipment	440	440	440	440	440	440	440	440	440	440	440	440	440	440
62	398.7	Other Tangible Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
63		TOTAL	1,095,656	1,109,694	1,109,694	1,109,694	1,109,694	1,109,694	1,109,694	1,109,694	1,109,694	1,189,715	1,189,715	1,361,194	1,363,677	1,159,808
64		Subtotal Land & Land Rights	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890

Schedule of Sewer Plant in Service By Primary Account
 Test Year Average balance
 Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007
 Historical [X] Projected []

Florida Public Service Commission

Schedule: A-6
 Page: 3 of 3
 Preparer: R Griffin/J Guastalla

Explanation: Provide the month ending Adjusted balances for Sewer Plant in Service by primary account for each month of the Test Year and the ending balance for the prior year.

Line No.	Acct No.	(1) Account Name	(2) Prior Year 12/2006	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) 12/2007	(15) Average Balance
1		INTANGIBLE PLANT														
2	351.1	Organization	552	552	552	552	552	552	552	552	552	552	552	552	552	552
3	352.1	Franchises	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878
4	389.1	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		COLLECTION PLANT														
6	353.2	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	354.2	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	355.2	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	360.2	Collection Sewers - Force	284,560	283,162	283,162	283,162	283,162	283,162	283,162	283,162	283,162	283,162	283,162	451,361	451,361	309,147
10	361.2	Collection Sewers - Gravity	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422	232,422
11	362.2	Special Collecting Structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	363.2	Services to Customers	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099	2,099
13	364.2	Flow Measuring Devices	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	8,768	9,606	9,606	8,897
14	365.2	Flow Measuring Installations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	389.2	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		SYSTEM PUMPING PLANT														
17	353.3	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	354.3	Structures & Improvements	22,251	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,555	22,532
19	355.3	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	370.3	Receiving Wells	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851	13,851
21	371.3	Pumping Equipment	57,518	61,800	61,800	61,800	61,800	61,800	61,800	61,800	61,800	61,800	61,800	64,111	64,111	61,672
22	389.3	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		TREATMENT AND DISPOSAL PLANT														
24	353.4	Land & Land Rights	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890
25	354.4	Structures & Improvements	84,859	85,590	85,590	85,590	85,590	85,590	85,590	85,590	85,590	165,611	165,611	165,611	168,094	110,346
26	355.4	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	380.4	Treatment & Disposal Equipment	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,570	148,810	148,810	148,607
28	381.4	Plant Sewers	161,669	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,987	171,193
29	382.4	Outfall Sewer Lines	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	389.4	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		RECLAIMED WATER TREATMENT PLANT														
32	353.5	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	354.5	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	355.5	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	371.5	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	374.5	Reuse Distribution Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	380.5	Treatment & Disposal Equipment	476	476	476	476	476	476	476	476	476	476	476	476	476	476
38	381.5	Plant Sewers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	389.5	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		RECLAIMED WATER DISTRIBUTION PLANT														
41	352.6	Franchises	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	353.6	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	354.6	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	355.6	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45	366.6	Reuse Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46	367.6	Reuse Meters & Meter Installations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	371.6	Pumping Equipment	309	309	309	309	309	309	309	309	309	309	309	309	309	261
48	375.6	Reuse Transmission & Distr. Sys.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49	389.6	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
50		GENERAL PLANT														
51	353.7	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
52	354.7	Structures & Improvements	6,328	6,445	6,445	6,445	6,445	6,587	6,587	6,587	6,587	6,587	6,587	6,587	6,587	6,523
53	390.7	Office Furniture & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
54	390.71	Computer Equipment	40,731	42,607	46,424	46,966	48,325	49,369	51,027	52,125	55,501	57,597	58,105	60,403	61,130	51,562
55	391.7	Transportation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56	392.7	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57	393.7	Tools, Shop & Garage Equipment	400	400	400	400	400	400	400	400	400	400	400	400	400	400
58	394.7	Laboratory Equipment	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613	2,613
59	395.7	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60	396.7	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
61	397.7	Miscellaneous Equipment	440	440	440	440	440	440	440	440	440	440	440	440	440	440
62	398.7	Other Tangible Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
63		TOTAL	1,142,182	1,158,213	1,162,030	1,162,572	1,163,931	1,165,117	1,166,775	1,167,873	1,171,249	1,253,366	1,253,874	1,427,651	1,430,860	1,217,361
64		Subtotal Land & Land Rights	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890	70,890

Non-Used and Useful Plant - Summary

Florida Public Service Commission

Palm Terrace

Schedule: A-7

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: J Guastella

Historical 2007 & Pro Forma

Explanation: Provide a summary of the items included in non-used and useful plant for the year.

Provide additional support schedules, if necessary.

Line No.	Description	(1)	(2)	(3)	(4)	(5)
			<u>Historical Test Year</u>	<u>Pro Forma Test Year</u>		
			Adjusted Balance	Adjustments	Adjusted Balance	Supporting Schedules
Water						
1	Plant in Service		0	0	0	A-5
2	Land		0	0	0	A-5
3	Less: Accumulated Depreciation		0	0	0	A-9
4	Less: CIAC		0	0	0	A-12
5	Accumulated Amort. of CIAC		0	0	0	A-14
6	Less: Advances for Construction		0	0	0	A-16
7	Other (Explain)			0		
8	TOTAL		<u>0</u>	<u>0</u>	<u>0</u>	
Sewer						
9	Plant in Service		0	0	0	A-6
10	Land		0	0	0	A-6
11	Less: Accumulated Depreciation		0	0	0	A-10
12	Less: CIAC		0	0	0	A-12
13	Accumulated Amort. Of CIAC		0	0	0	A-14
14	Less: Advances for Construction		0	0	0	A-16
15	Other (Explain)			0		
16	TOTAL		<u>0</u>	<u>0</u>	<u>0</u>	

**Schedule of Water and Sewer Accumulated Depreciation
Annual Balances Subsequent to Last Established Rate Base**

Florida Public Service Commission

**Palm Terrace
Docket No. 080121-WS**

Schedule: A-8
Page: 1 of 2
Preparer: R Griffin

Historical Test Year Ending December 31, 2007

Explanation: Provide the annual balance per books of Water Accumulated Depreciation, for all years since either rate base was last established by this Commission; or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions, retirements, and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary. If a projected test year is used, include the projected annual additions and/or retirements specifically identifying those amounts.

Line No.	(1) Description	(2) Water Year End Balance	(3) Sewer Year End Balance
The balances for this system begin June 30, 2004 in accordance with PSC Amendatory Order			
1	12/31/95 Balance		
	1996		
2	Additions		
3	Retirements		
4	Adjustments		
5	12/31/96 Balance	_____	_____
	1997		
6	Additions		
7	Retirements		
8	Adjustments		
9	12/31/97 Balance	_____	_____
	1998		
10	Additions		
11	Retirements		
12	Adjustments		
13	12/31/98 Balance	_____	_____
	1999		
14	Additions		
15	Retirements		
16	Adjustments		
17	12/31/99 Balance	_____	_____
	2000		
18	Additions		
19	Retirements		
20	Adjustments		
21	12/31/00 Balance	_____	_____
	2001		
22	Additions		
23	Retirements		
24	Adjustments		
25	12/31/01 Balance	_____	_____

**Schedule of Water and Sewer Accumulated Depreciation
Annual Balances Subsequent to Last Established Rate Base**

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: A-8

Page: 2 of 2

Preparer: R Griffin

Explanation: Schedule A-8 continued

(1)	(2)	(3)
Line No.	Water Year End Balance	Sewer Year End Balance
2002		
26 Additions		
27 Retirements		
28 Adjustments		
29 12/31/02 Balance		
2003		
30 Additions		
31 Retirements		
32 Adjustments		
33 06/30/04 Amend. Order Balance	126,396	300,281
2004		
34 Additions	3,974	9,466
35 Retirements	0	0
36 Adjustments	(18,694)	(41,927)
37 12/31/04 Balance	111,676	267,820
2005		
38 Additions	3,974	10,242
39 Retirements	0	0
40 Adjustments	2	(2)
41 12/31/05 Balance	115,652	278,060
2006		
42 Additions	6,360	17,353
43 Retirements	(32,982)	(77,072)
44 Adjustments	24,445	56,303
45 12/31/06 Balance	113,475	274,644
2007		
46 Additions	9,408	38,717
47 Retirements	(45,106)	(20,707)
48 Adjustments	(233)	323
49 Allocations	14,317	12,374
50 12/31/07 Balance	91,862	305,350

Supporting Schedules: A-9, A-10

Schedule of Water Accumulated Depreciation By Primary Account

Florida Public Service Commission

Test Year Average balance

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical 2007 & Pro Forma

Schedule: A-9

Page: 1 of 3

Preparer: R Griffin/J Guastella

Explanation: Provide the Average Water Accumulated Depreciation by Primary Account and the calculation of the Average Non-Used and Useful amounts.

Line No.	Acct No.	(1) Account Name	(2) (3) (4) Historical Test Year 2007			(5) (6) (7) Pro Forma Adjustments		
			Adjusted Balance	Non-Used & Useful %	Balance	Amount	Non-Used & Useful %	Amount
1		INTANGIBLE PLANT						
2	301.1	Organization	520	0.00%	0	0	0.00%	0
3	302.1	Franchises	1,043	0.00%	0	0	0.00%	0
4	339.1	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
5		SOURCE OF SUPPLY & PUMPING PLANT						
6	303.2	Land & Land Rights	0	0.00%	0	0	0.00%	0
7	304.2	Structures & Improvements	0	0.00%	0	0	0.00%	0
8	305.2	Collect. & Impound Reservoirs	0	0.00%	0	0	0.00%	0
9	306.2	Lake, River & Other Intakes	0	0.00%	0	0	0.00%	0
10	307.2	Wells & Springs	4,068	0.00%	0	0	0.00%	0
11	308.2	Infiltration Galleries & Tunnels	0	0.00%	0	0	0.00%	0
12	309.2	Supply Mains	2,951	0.00%	0	0	0.00%	0
13	310.2	Power Generation Equipment	0	0.00%	0	0	0.00%	0
14	311.2	Pumping Equipment	3,163	0.00%	0	0	0.00%	0
15	339.2	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
16		WATER TREATMENT PLANT						
17	303.3	Land & Land Rights	0	0.00%	0	0	0.00%	0
18	304.3	Structures & Improvements	(11,719)	0.00%	0	0	0.00%	0
19	311.3	Pumping Equipment	0	0.00%	0	0	0.00%	0
20	320.3	Water Treatment Equipment	0	0.00%	0	0	0.00%	0
21	339.3	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
22		TRANSMISSION & DISTRIBUTION PLANT						
23	303.4	Land & Land Rights	0	0.00%	0	0	0.00%	0
24	304.4	Structures & Improvements	0	0.00%	0	0	0.00%	0
25	311.4	Pumping Equipment	0	0.00%	0	0	0.00%	0
26	330.4	Distr. Reservoirs & Standpipes	3,393	0.00%	0	0	0.00%	0
27	331.4	Transm. & Distribution Mains	59,751	0.00%	0	0	0.00%	0
28	333.4	Services	1,612	0.00%	0	0	0.00%	0
29	334.4	Meters & Meter Installations	17,993	0.00%	0	(52,350)	0.00%	0
30	335.4	Hydrants	0	0.00%	0	0	0.00%	0
31	336.4	Backflow Prevention	0	0.00%	0	0	0.00%	0
32	339.4	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
33		GENERAL PLANT						
34	303.5	Land & Land Rights	0	0.00%	0	0	0.00%	0
35	304.5	Structures & Improvements	712	0.00%	0	0	0.00%	0
36	340.5	Office Furniture & Equipment	0	0.00%	0	0	0.00%	0
37	340.51	Computer Equipment	8,166	0.00%	0	63	0.00%	0
38	341.5	Transportation Equipment	868	0.00%	0	0	0.00%	0
39	342.5	Stores Equipment	0	0.00%	0	0	0.00%	0
40	343.5	Tools, Shop & Garage Equipment	945	0.00%	0	0	0.00%	0
41	344.5	Laboratory Equipment	1,879	0.00%	0	0	0.00%	0
42	345.5	Power Operated Equipment	0	0.00%	0	0	0.00%	0
43	346.5	Communication Equipment	0	0.00%	0	0	0.00%	0
44	347.5	Miscellaneous Equipment	863	0.00%	0	0	0.00%	0
45	348.5	Other Tangible Plant	0	0.00%	0	0	0.00%	0
46		TOTAL	96,206		0	(52,286)		0

Schedule of Water Accumulated Depreciation By Primary Account

Test Year Average balance

Palm Terrace

Docket No. 060121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Florida Public Service Commission

Schedule: A-9

Page: 2 of 3

Preparer: R Griffin/J Guastalla

Explanation: Provide the month ending **Per Books** balances for Water Accumulated Depreciation by primary account for each month of the **Test Year** and the ending balance for the prior year.

Line No.	Acct No.	(1) Account Name	(2) Prior Year Dec-2006	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) Dec-2007	(15) Average Balance
1		INTANGIBLE PLANT														
2	301.1	Organization	513	514	515	516	518	519	520	521	522	523	524	526	527	520
3	302.1	Franchises	1,002	1,009	1,018	1,022	1,029	1,036	1,043	1,050	1,057	1,063	1,070	1,077	1,084	1,043
4	339.1	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		SOURCE OF SUPPLY & PUMPING PLANT														
6	303.2	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	304.2	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	305.2	Collect. & Impound Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	306.2	Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	307.2	Wells & Springs	3,923	3,947	3,971	3,995	4,019	4,043	4,068	4,092	4,116	4,140	4,164	4,188	4,212	4,068
11	308.2	Infiltration Galleries & Tunnels	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	309.2	Supply Mains	2,650	2,700	2,750	2,801	2,851	2,901	2,951	3,001	3,051	3,101	3,151	3,202	3,252	2,951
13	310.2	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	311.2	Pumping Equipment	2,972	3,004	3,036	3,068	3,100	3,131	3,163	3,195	3,227	3,259	3,291	3,323	3,354	3,163
15	339.2	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		WATER TREATMENT PLANT														
17	303.3	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	304.3	Structures & Improvements	13,949	13,968	14,056	(19,433)	(19,433)	(19,432)	(19,432)	(19,432)	(19,431)	(19,431)	(19,431)	(19,430)	(19,430)	(11,719)
19	311.3	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	320.3	Water Treatment Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	339.3	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		TRANSMISSION & DISTRIBUTION PLANT														
23	303.4	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	304.4	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	311.4	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	330.4	Distr. Reservoirs & Standpipes	3,250	3,272	3,295	3,317	3,340	3,362	3,385	3,407	3,430	3,452	3,475	3,497	3,520	3,385
27	331.4	Transm. & Distribution Mains	63,168	61,129	61,386	61,643	61,900	62,157	62,414	62,672	62,929	63,186	63,443	63,700	63,957	63,385
28	333.4	Services	1,540	1,552	1,564	1,576	1,588	1,600	1,612	1,624	1,636	1,648	1,660	1,672	1,684	1,612
29	334.4	Meters & Meter Installations	16,466	16,721	16,975	17,230	17,484	17,738	17,993	18,247	18,501	18,756	19,010	19,264	19,518	18,021
30	335.4	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	336.4	Backflow Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	339.4	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33		GENERAL PLANT														
34	303.5	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	304.5	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	340.5	Office Furniture & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	340.51	Computer Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38	341.5	Transportation Equipment	868	868	868	868	868	868	868	868	868	868	868	868	868	868
39	342.5	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	343.5	Tools, Shop & Garage Equipment	707	746	786	826	865	905	945	984	1,024	1,064	1,104	1,143	1,183	945
41	344.5	Laboratory Equipment	1,792	1,806	1,821	1,835	1,850	1,864	1,879	1,893	1,908	1,922	1,937	1,951	1,966	1,879
42	345.5	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	346.5	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	347.5	Miscellaneous Equipment	675	707	738	769	800	832	863	894	925	957	988	1,019	1,050	863
45	348.5	Other Tangible Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46		TOTAL	113,475	111,943	112,776	80,033	80,779	81,524	82,270	83,016	83,762	75,265	76,019	76,898	77,777	87,349

Schedule of Water Accumulated Depreciation By Primary Account

Test Year Average balance
Palm Terrace
Docket No. 060121-WS
 Historical Test Year Ending December 31, 2007
 Historical [X] Projected []

Florida Public Service Commission

Schedule: A-9
 Page: 3 of 3
 Preparer: R Griffin/J Guastella

Explanation: Provide the month ending **Adjusted** balances for Water Accumulated Depreciation by primary account for each month of the **Test Year** and the ending balance for the prior year.

Line No.	Acct No.	(1) Account Name	(2) Prior Year Dec-2006	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) Dec-2007	(15) Average Balance
1		INTANGIBLE PLANT														
2	301.1	Organization	513	514	515	516	518	519	520	521	522	523	524	526	527	520
3	302.1	Franchises	1,002	1,009	1,016	1,022	1,029	1,036	1,043	1,050	1,057	1,063	1,070	1,077	1,084	1,043
4	339.1	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		SOURCE OF SUPPLY & PUMPING PLANT														
6	303.2	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	304.2	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	305.2	Collect. & Impound Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	306.2	Lake, River & Other Intakes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	307.2	Wells & Springs	3,923	3,947	3,971	3,995	4,019	4,043	4,068	4,092	4,116	4,140	4,164	4,188	4,212	4,068
11	308.2	Infiltration Galleries & Tunnels	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	309.2	Supply Mains	2,650	2,700	2,751	2,801	2,851	2,901	2,951	3,001	3,052	3,102	3,152	3,202	3,252	2,951
13	310.2	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	311.2	Pumping Equipment	2,972	3,004	3,036	3,068	3,100	3,131	3,163	3,195	3,227	3,259	3,291	3,323	3,354	3,163
15	339.2	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		WATER TREATMENT PLANT														
17	303.3	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	304.3	Structures & Improvements	13,949	13,968	14,056	(19,433)	(19,433)	(19,432)	(19,432)	(19,432)	(19,431)	(19,431)	(19,431)	(19,430)	(19,430)	(11,719)
19	311.3	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	320.3	Water Treatment Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	339.3	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		TRANSMISSION & DISTRIBUTION PLANT														
23	303.4	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	304.4	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	311.4	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	330.4	Distr. Reservoirs & Standpipes	3,250	3,273	3,297	3,321	3,345	3,369	3,393	3,416	3,440	3,464	3,488	3,512	3,536	3,393
27	331.4	Transm. & Distribution Mains	63,168	61,129	61,386	61,643	61,900	62,157	62,414	62,672	62,929	63,186	63,443	63,700	63,957	59,751
28	333.4	Services	1,540	1,552	1,564	1,576	1,588	1,600	1,612	1,624	1,636	1,648	1,660	1,672	1,684	1,612
29	334.4	Meters & Meter Installations	16,466	16,721	16,975	17,230	17,484	17,738	17,993	18,247	18,501	18,756	19,010	19,264	19,519	17,993
30	335.4	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	336.4	Backflow Prevention	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	339.4	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33		GENERAL PLANT														
34	303.5	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	304.5	Structures & Improvements	625	640	654	668	682	697	712	726	741	755	770	784	799	712
36	340.5	Office Furniture & Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	340.51	Computer Equipment	3,399	4,084	4,830	5,585	6,361	7,155	7,975	8,813	9,705	10,631	11,565	12,536	13,518	8,166
38	341.5	Transportation Equipment	868	868	868	868	868	868	868	868	868	868	868	868	868	868
39	342.5	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	343.5	Tools, Shop & Garage Equipment	707	746	786	826	865	905	945	984	1,024	1,064	1,104	1,143	1,183	945
41	344.5	Laboratory Equipment	1,792	1,806	1,821	1,835	1,850	1,864	1,879	1,893	1,908	1,922	1,937	1,951	1,966	1,879
42	345.5	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	346.5	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	347.5	Miscellaneous Equipment	675	707	738	769	800	832	863	894	925	957	988	1,019	1,050	863
45	348.5	Other Tangible Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46	TOTAL		117,499	116,668	118,263	86,290	87,828	89,363	90,965	92,565	94,219	86,663	88,368	90,109	91,862	96,206

Schedule of Sewer Accumulated Depreciation By Primary Account

Florida Public Service Commission

Test Year Average balance

Palm Terrace

Schedule: A-10

Docket No. 080121-WS

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Historical Test Year Ending December 31, 2007

Preparer: R Griffin/J Guastella

Historical 2007 & Pro Forma

Line No.	Acct No.	(1) Account Name	(2) Historical Test Year 2007			(5) Pro Forma Adjustments		
			Adjusted Balance	(3) Non-Used & Useful %	(4) Balance	Amount	(6) Non-Used & Useful %	(7) Amount
1		INTANGIBLE PLANT						
2	351.1	Organization	279	0.00%	0	0	0.00%	0
3	352.1	Franchises	1,240	0.00%	0	0	0.00%	0
4	389.1	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
5		COLLECTION PLANT						
6	353.2	Land & Land Rights	0	0.00%	0	0	0.00%	0
7	354.2	Structures & Improvements	0	0.00%	0	0	0.00%	0
8	355.2	Power Generation Equipment	0	0.00%	0	0	0.00%	0
9	360.2	Collection Sewers - Force	(1,786)	0.00%	0	0	0.00%	0
10	361.2	Collection Sewers - Gravity	150,697	0.00%	0	0	0.00%	0
11	362.2	Special Collecting Structures	0	0.00%	0	0	0.00%	0
12	363.2	Services to Customers	1,009	0.00%	0	0	0.00%	0
13	364.2	Flow Measuring Devices	8,207	0.00%	0	0	0.00%	0
14	365.2	Flow Measuring Installations	0	0.00%	0	0	0.00%	0
15	389.2	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
16		SYSTEM PUMPING PLANT						
17	353.3	Land & Land Rights	0	0.00%	0	0	0.00%	0
18	354.3	Structures & Improvements	526	0.00%	0	0	0.00%	0
19	355.3	Power Generation Equipment	0	0.00%	0	0	0.00%	0
20	370.3	Receiving Wells	11,789	0.00%	0	0	0.00%	0
21	371.3	Pumping Equipment	923	0.00%	0	0	0.00%	0
22	389.3	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
23		TREATMENT AND DISPOSAL PLANT						
24	353.4	Land & Land Rights	0	0.00%	0	0	0.00%	0
25	354.4	Structures & Improvements	12,175	0.00%	0	0	0.00%	0
26	355.4	Power Generation Equipment	0	0.00%	0	0	0.00%	0
27	380.4	Treatment & Disposal Equipment	94,886	0.00%	0	0	0.00%	0
28	381.4	Plant Sewers	1,918	0.00%	0	0	0.00%	0
29	382.4	Outfall Sewer Lines	0	0.00%	0	0	0.00%	0
30	389.4	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
31		RECLAIMED WATER TREATMENT PLANT						
32	353.5	Land & Land Rights	0	0.00%	0	0	0.00%	0
33	354.5	Structures & Improvements	0	0.00%	0	0	0.00%	0
34	355.5	Power Generation Equipment	0	0.00%	0	0	0.00%	0
35	371.5	Pumping Equipment	0	0.00%	0	0	0.00%	0
36	374.5	Reuse Distribution Reservoirs	0	0.00%	0	0	0.00%	0
37	380.5	Treatment & Disposal Equipment	42	0.00%	0	0	0.00%	0
38	381.5	Plant Sewers	0	0.00%	0	0	0.00%	0
39	389.5	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
40		RECLAIMED WATER DISTRIBUTION PLANT						
41	352.6	Franchises	0	0.00%	0	0	0.00%	0
42	353.6	Land & Land Rights	0	0.00%	0	0	0.00%	0
43	354.6	Structures & Improvements	0	0.00%	0	0	0.00%	0
44	355.6	Power Generation Equipment	0	0.00%	0	0	0.00%	0
45	366.6	Reuse Services	0	0.00%	0	0	0.00%	0
46	367.6	Reuse Meters & Meter Installations	0	0.00%	0	0	0.00%	0
47	371.6	Pumping Equipment	(11)	0.00%	0	0	0.00%	0
48	375.6	Reuse Transmission & Distr. Sys.	0	0.00%	0	0	0.00%	0
49	389.6	Other Plant & Misc. Equipment	0	0.00%	0	0	0.00%	0
50		GENERAL PLANT						
51	353.7	Land & Land Rights	0	0.00%	0	0	0.00%	0
52	354.7	Structures & Improvements	630	0.00%	0	0	0.00%	0
53	390.7	Office Furniture & Equipment	18	0.00%	0	0	0.00%	0
54	390.71	Computer Equipment	7,057	0.00%	0	55	0.00%	0
55	391.7	Transportation Equipment	0	0.00%	0	0	0.00%	0
56	392.7	Stores Equipment	0	0.00%	0	0	0.00%	0
57	393.7	Tools, Shop & Garage Equipment	412	0.00%	0	0	0.00%	0
58	394.7	Laboratory Equipment	1,879	0.00%	0	0	0.00%	0
59	395.7	Power Operated Equipment	0	0.00%	0	0	0.00%	0
60	396.7	Communication Equipment	0	0.00%	0	0	0.00%	0
61	397.7	Miscellaneous Equipment	256	0.00%	0	0	0.00%	0
62	398.7	Other Tangible Plant	0	0.00%	0	0	0.00%	0
63		TOTAL	292,144		0	55		0

Schedule of Sewer Accumulated Depreciation By Primary Account

Test Year Average balance

Palm Terrace

Docket No. 000121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Florida Public Service Commission

Schedule: A-10

Page: 2 of 3

Preparer: R Griffin/J Guastella

Explanation: Provide the month ending Par Books balances for Sewer Accumulated Depreciation by primary account for each month of the Test Year and the ending balance for the prior year.

Line No.	Acct No.	(1) Account Name	(2) Prior Year Dec-2006	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) Dec-2007	(15) Average Balance
1		INTANGIBLE PLANT														
2	351.1	Organization	272	273	274	275	277	278	278	280	281	282	283	285	288	279
3	352.1	Franchises	1,204	1,210	1,216	1,222	1,228	1,234	1,240	1,246	1,252	1,258	1,264	1,270	1,276	1,240
4	389.1	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		COLLECTION PLANT														
6	353.2	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	354.2	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	355.2	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	360.2	Collection Sawsers - Force	684	(6,435)	(5,649)	(4,862)	(4,076)	(3,289)	(2,502)	(1,716)	(929)	(143)	644	1,898	3,151	(1,786)
10	361.2	Collection Sawsers - Gravity	148,114	148,545	148,975	149,405	149,836	150,266	150,697	151,127	151,557	151,988	152,418	152,849	153,279	150,697
11	362.2	Special Collecting Structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	363.2	Services to Customers	982	986	991	995	1,000	1,005	1,009	1,014	1,018	1,023	1,028	1,032	1,037	1,009
13	364.2	Flow Measuring Devices	7,604	7,750	7,897	8,043	8,189	8,335	8,481	8,627	8,768	8,768	8,768	7,124	7,284	8,128
14	365.2	Flow Measuring Installations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	389.2	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		SYSTEM PUMPING PLANT														
17	353.3	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	354.3	Structures & Improvements	174	233	291	350	409	468	526	585	644	702	761	820	879	526
19	355.3	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	370.3	Receiving Wells	11,558	11,597	11,635	11,674	11,712	11,751	11,789	11,828	11,866	11,905	11,943	11,982	12,020	11,789
21	371.3	Pumping Equipment	149	178	463	748	1,033	1,318	1,603	1,888	2,174	2,459	2,744	(1,527)	(1,230)	923
22	389.3	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		TREATMENT AND DISPOSAL PLANT														
24	353.4	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	354.4	Structures & Improvements	11,088	11,311	11,534	11,757	11,979	12,202	12,425	12,648	12,871	13,302	13,734	14,165	9,256	12,175
26	355.4	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	380.4	Treatment & Disposal Equipment	90,838	91,526	92,214	92,901	93,589	94,277	94,965	95,653	96,341	97,028	97,716	97,883	98,577	94,886
28	381.4	Plant Sawsers	(539)	(130)	280	689	1,099	1,508	1,918	2,327	2,737	3,146	3,556	3,965	4,375	1,918
29	382.4	Outfall Sewer Lines	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	389.4	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		RECLAIMED WATER TREATMENT PLANT														
32	353.5	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	354.5	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	355.5	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	371.5	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	374.5	Reuse Distribution Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	380.5	Treatment & Disposal Equipment	29	31	33	35	37	40	42	44	46	48	51	53	55	42
38	381.5	Plant Sawsers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	389.5	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		RECLAIMED WATER DISTRIBUTION PLANT														
41	352.6	Franchises	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	353.6	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	354.6	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	355.6	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45	366.6	Reuse Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46	367.6	Reuse Meters & Meter Installations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	371.6	Pumping Equipment	29	30	31	33	34	36	37	39	40	41	43	(266)	(266)	(11)
48	375.6	Reuse Transmission & Distr. Sys.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49	389.6	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
50		GENERAL PLANT														
51	353.7	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
52	354.7	Structures & Improvements	8	9	10	11	12	13	14	16	17	18	19	20	21	14
53	390.7	Office Furniture & Equipment	18	18	18	18	18	18	18	18	18	18	18	18	18	18
54	390.71	Computer Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55	391.7	Transportation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56	392.7	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57	393.7	Tools, Shop & Garage Equipment	400	400	400	400	400	400	400	400	400	400	400	400	400	400
58	394.7	Laboratory Equipment	1,792	1,806	1,821	1,835	1,850	1,864	1,879	1,893	1,908	1,922	1,937	1,951	1,966	1,879
59	395.7	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60	396.7	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
61	397.7	Miscellaneous Equipment	241	244	246	249	251	254	256	259	261	263	266	268	271	256
62	398.7	Other Tangible Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
63		TOTAL	274,644	269,580	272,679	275,778	278,877	281,976	285,076	288,175	291,269	294,430	297,591	294,193	292,654	284,379

Schedule of Sewer Accumulated Depreciation By Primary Account

Test Year Average balance

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Florida Public Service Commission

Schedule: A-10

Page: 3 of 3

Preparer: R Griffin/J Guastella

Explanation: Provide the month ending Adjusted balances for Sewer Accumulated Depreciation by primary account for each month of the Test Year and the ending balance for the prior year.

Line No.	Acct No.	(1) Account Name	(2) Prior Year Dec-2006	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) Dec-2007	(15) Average Balance
1		INTANGIBLE PLANT														
2	351.1	Organization	272	273	274	275	277	278	279	280	281	282	283	285	286	279
3	352.1	Franchises	1,204	1,210	1,216	1,222	1,228	1,234	1,240	1,246	1,252	1,258	1,264	1,270	1,276	1,240
4	389.1	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		COLLECTION PLANT														
6	353.2	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	354.2	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	355.2	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	360.2	Collection Sewers - Force	684	(6,435)	(5,649)	(4,862)	(4,076)	(3,289)	(2,502)	(1,716)	(929)	(143)	644	1,898	3,151	(1,786)
10	361.2	Collection Sewers - Gravity	148,114	148,545	148,975	149,405	149,836	150,266	150,697	151,127	151,557	151,988	152,418	152,849	153,279	150,697
11	362.2	Special Collecting Structures	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	363.2	Services to Customers	982	986	991	995	1,000	1,005	1,009	1,014	1,018	1,023	1,028	1,032	1,037	1,009
13	364.2	Flow Measuring Devices	7,604	7,750	7,897	8,043	8,189	8,335	8,481	8,627	8,773	8,919	9,066	7,421	7,581	8,207
14	365.2	Flow Measuring Installations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	389.2	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		SYSTEM PUMPING PLANT														
17	353.3	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	354.3	Structures & Improvements	174	233	291	350	409	468	526	585	644	702	761	820	879	526
19	355.3	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	370.3	Receiving Wells	11,558	11,597	11,635	11,674	11,712	11,751	11,789	11,828	11,866	11,905	11,943	11,982	12,020	11,789
21	371.3	Pumping Equipment	149	178	463	748	1,033	1,318	1,603	1,889	2,174	2,459	2,744	(1,527)	(1,230)	923
22	389.3	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		TREATMENT AND DISPOSAL PLANT														
24	353.4	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	354.4	Structures & Improvements	11,088	11,311	11,534	11,757	11,979	12,202	12,425	12,648	12,871	13,302	13,734	14,165	9,256	12,175
26	355.4	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	380.4	Treatment & Disposal Equipment	90,838	91,526	92,214	92,901	93,589	94,277	94,965	95,653	96,341	97,028	97,716	97,888	98,577	94,886
28	381.4	Plant Sewers	(539)	(130)	280	889	1,099	1,508	1,918	2,327	2,737	3,146	3,556	3,965	4,375	1,918
29	382.4	Outfall Sewer Lines	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	389.4	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		RECLAIMED WATER TREATMENT PLANT														
32	353.5	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	354.5	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	355.5	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	371.5	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	374.5	Reuse Distribution Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	380.5	Treatment & Disposal Equipment	29	31	33	35	37	40	42	44	46	48	51	53	55	42
38	381.5	Plant Sewers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39	389.5	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		RECLAIMED WATER DISTRIBUTION PLANT														
41	352.6	Franchises	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	353.6	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43	354.6	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	355.6	Power Generation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45	366.6	Reuse Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46	367.6	Reuse Meters & Meter Installations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47	371.6	Pumping Equipment	29	30	31	33	34	36	37	39	40	41	43	(266)	(266)	(11)
48	375.6	Reuse Transmission & Distr. Sys.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49	389.6	Other Plant & Misc. Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
50		GENERAL PLANT														
51	353.7	Land & Land Rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0
52	354.7	Structures & Improvements	548	562	575	588	602	618	629	643	657	671	684	698	712	630
53	390.7	Office Furniture & Equipment	18	18	18	18	18	18	18	18	18	18	18	18	18	18
54	390.71	Computer Equipment	2,937	3,529	4,174	4,827	5,498	6,184	6,893	7,617	8,388	9,188	9,995	10,834	11,683	7,057
55	391.7	Transportation Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56	392.7	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57	393.7	Tools, Shop & Garage Equipment	400	402	404	406	408	410	412	415	417	419	421	423	425	412
58	394.7	Laboratory Equipment	1,792	1,806	1,821	1,835	1,850	1,864	1,879	1,893	1,908	1,922	1,937	1,951	1,966	1,879
59	395.7	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60	396.7	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
61	397.7	Miscellaneous Equipment	241	244	246	249	251	254	256	259	261	263	266	268	271	256
62	398.7	Other Tangible Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
63		TOTAL	278,122	273,664	277,422	281,188	284,973	288,773	292,596	296,434	300,318	304,441	308,570	306,026	305,350	292,144

**Schedule of Water and Sewer Contributions in Aid of Construction
Annual Balances Subsequent to Last Established Rate Base**

Florida Public Service Commission

**Palm Terrace
Docket No. 080121-WS**

Schedule: A-11
Page: 1 of 2
Preparer: R Griffin

Historical Test Year Ending December 31, 2007

Explanation: Provide the annual balance of Water contributions in aid of construction for all years since either rate base was last established by this Commission; or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions, retirements, and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary. If a projected test year is used, include the projected annual additions and/or retirements specifically identifying those amounts.

Line No.	(1) Description	(2) Water Year End Balance	(3) Sewer Year End Balance
The balances for this system begin June 30, 2004 in accordance with PSC Amendatory Order			
1	12/31/95 Balance		
	1996		
2	Additions		
3	Adjustments		
4	12/31/96 Balance	_____	_____
	1997		
5	Additions		
6	Adjustments		
7	12/31/97 Balance	_____	_____
	1998		
8	Additions		
9	Adjustments		
10	12/31/98 Balance	_____	_____
	1999		
11	Additions		
12	Adjustments		
13	12/31/99 Balance	_____	_____
	2000		
14	Additions		
15	Adjustments		
16	12/31/00 Balance	_____	_____
	2001		
17	Additions		
18	Adjustments		
19	12/31/01 Balance	_____	_____

**Schedule of Water and Sewer Contributions in Aid of Construction
Annual Balances Subsequent to Last Established Rate Base**

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Schedule: A-11
Page: 2 of 2
Preparer: R Griffin

Explanation: Schedule A-11 continued

Line No.	(1) Description	(2) Water Year End Balance	(3) Sewer Year End Balance
	2002		
20	Additions		
21	Adjustments		
22	12/31/02 Balance		
	2003		
23	Additions		
24	Adjustments		
25	06/30/04 Amend. Order Balance	138,157	343,113
	2004		
26	Additions	0	0
27	Adjustments	0	0
28	12/31/04 Balance	138,157	343,113
	2005		
29	Additions	0	0
30	Adjustments	0	0
31	12/31/05 Balance	138,157	343,113
	2006		
32	Additions	0	0
33	Adjustments	0	0
34	12/31/06 Balance	138,157	343,113
	2007		
35	Additions	2,460	2,137
36	Adjustments	0	0
37	12/31/07 Balance	140,617	345,251

Supporting Schedules: A-12

Schedule of Water Contributions in Aid of Construction By Classification

Florida Public Service Commission

Test Year Average balance

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical 2007 & Pro Forma

Schedule: A-12

Page: 1 of 3

Preparer: R Griffin/J Guastella

Explanation: Provide the average CIAC balances by classification and Non-Used & useful calculations.

If a projected year is employed, provide breakdown for test year, base year and intermediate year also.

Line No.	Acct No.	(1) Description	(2) (3) (4) Historical Test Year 2007			(5) (6) (7) Pro Forma Adjustments		
			Adjusted Balance	Non-Used & Useful		Amount	Non-Used & Useful	
				%	Amount		%	Amount
1		WATER						
2		Cash CIAC:						
3	320	Water Treatment Equipment	52	0.00%	0		0.00%	0
4	334	Meter Fees	1,313	0.00%	0		0.00%	0
5	331	Main Extension Charge	136,931	0.00%	0		0.00%	0
6	333	Service Installation Fees	429	0.00%	0		0.00%	0
7		Total Cash CIAC	<u>138,725</u>		<u>0</u>	<u>0</u>		<u>0</u>
8								
9		Property CIAC:						
10	330	Dist Reservoirs & Standpipes	0	0.00%	0		0.00%	0
11	331	T&D Mains	0	0.00%	0		0.00%	0
12	333	Services	0	0.00%	0		0.00%	0
13	334	Meters/Meter Installation	0	0.00%	0		0.00%	0
14	335	Hydrants	0	0.00%	0		0.00%	0
15		Total Property CIAC	<u>0</u>		<u>0</u>	<u>0</u>		<u>0</u>
16								
17		Total Water CIAC	<u>138,725</u>		<u>0</u>	<u>0</u>		<u>0</u>
18								
19		SEWER						
20		Cash CIAC:						
21	380	Treatment & Disposal Equipment	342,633	0.00%	0		0.00%	0
22	389	Other	0	0.00%	0		0.00%	0
23	361	Main Extension Charge	973	0.00%	0		0.00%	0
24	363	Service Installation Fees	0	0.00%	0		0.00%	0
25		Total Cash CIAC	<u>343,607</u>		<u>0</u>	<u>0</u>		<u>0</u>
26								
27		Property CIAC:						
28	354	Structures & Improvements	0	0.00%	0		0.00%	0
29	360	Collection Sewers- Force	0	0.00%	0		0.00%	0
30	361	Collection Sewers- Gravity	0	0.00%	0		0.00%	0
31	363	Services to Customers	0	0.00%	0		0.00%	0
32	370	Lift Stations	0	0.00%	0		0.00%	0
33	371	Pumping Equipment	0	0.00%	0		0.00%	0
34	366	Reuse Services	0	0.00%	0		0.00%	0
35	375	Reuse Transmission & Dist Mains	0	0.00%	0		0.00%	0
36	389	Other Plant Misc Equip	0	0.00%	0		0.00%	0
37		Total Property CIAC	<u>0</u>		<u>0</u>	<u>0</u>		<u>0</u>
38								
39		Total Sewer CIAC	<u>343,607</u>		<u>0</u>	<u>0</u>		<u>0</u>

Schedule of Water Contributions in Aid of Construction By Classification

Test Year Average balance

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: A-12

Page: 2 of 3

Preparer: R Griffin/J Guastella

Explanation: Provide the **Per Books** monthly and average CIAC balances by classification. If a projected year is employed, provide breakdown for test year, base year and intermediate year also.

Line No.	Acct No.	(1) Description	(2) Prior Year Line No.	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) Oct-2007	(15) Average Balance
1		WATER														
2		Cash CIAC:														
3	320	Water Treatment Equipment	52	52	52	52	52	52	52	52	52	52	52	52	52	52
4	334	Meter Fees	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313
5	331	Main Extension Charge	136,363	136,363	136,363	136,363	136,363	136,363	136,363	136,363	136,363	136,363	136,823	138,823	138,823	136,931
6	333	Service Installation Fees	429	429	429	429	429	429	429	429	429	429	429	429	429	429
7		Total Cash CIAC	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	140,617	140,617	140,617	138,725
8																
9		Property CIAC:														
10	330	Dist Reservoirs & Standpipes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	331	T&D Mains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	333	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	334	Meters/Meter Installation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	335	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		Total Property CIAC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16																
17		Total Water CIAC	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	140,617	140,617	140,617	138,725
18																
19		SEWER														
20		Cash CIAC:														
21	380	Treatment & Disposal Equipment	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633
22	389	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	361	Main Extension Charge	480	480	480	480	480	480	480	480	480	480	2,617	2,617	2,617	973
24	363	Service Installation Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25		Total Cash CIAC	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	345,251	345,251	345,251	343,607
26																
27		Property CIAC:														
28	354	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	360	Collection Sewers- Force	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	361	Collection Sewers- Gravity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	363	Services to Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	370	Lift Stations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	371	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	366	Reuse Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	375	Reuse Transmission & Dist Mains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	389	Other Plant Misc Equip	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37		Total Property CIAC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38																
39		Total Sewer CIAC	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	345,251	345,251	345,251	343,607

Schedule of Water Contributions in Aid of Construction By Classification

Test Year Average balance
 Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: A-12
 Page: 3 of 3
 Preparer: R Griffin/J Guastella

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

Line No.	(1) Description	(2) Prior Year Line No.	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) 10/01/07	(15) Average Balance
1	WATER														
2	Cash CIAC:														
3	320 Water Treatment Equipment	52	52	52	52	52	52	52	52	52	52	52	52	52	52
4	334 Meter Fees	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313
5	331 Main Extension Charge	136,363	136,363	136,363	136,363	136,363	136,363	136,363	136,363	136,363	136,363	138,823	138,823	138,823	136,931
6	333 Service Installation Fees	429	429	429	429	429	429	429	429	429	429	429	429	429	429
7	Total Cash CIAC	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	140,617	140,617	140,617	138,725
8															
9	Property CIAC:														
10	330 Dist Reservoirs & Standpipes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	331 T&D Mains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	333 Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	334 Meters/Meter Installation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	335 Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Total Property CIAC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16															
17	Total Water CIAC	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	138,157	140,617	140,617	140,617	138,725
18															
19	SEWER														
20	Cash CIAC:														
21	380 Treatment & Disposal Equipment	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633	342,633
22	389 Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	361 Main Extension Charge	480	480	480	480	480	480	480	480	480	480	2,617	2,617	2,617	973
24	363 Service Installation Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Total Cash CIAC	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	345,251	345,251	345,251	343,607
26															
27	Property CIAC:														
28	354 Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	360 Collection Sewers- Force	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	361 Collection Sewers- Gravity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	363 Services to Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	370 Lift Stations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	371 Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	366 Reuse Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	375 Reuse Transmission & Dist Mains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	389 Other Plant Misc Equip	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	Total Property CIAC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38															
39	Total Sewer CIAC	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	343,113	345,251	345,251	345,251	343,607

**Schedule of Water and Sewer Accumulated Amortization of CIAC
Annual Balances Subsequent to Last Established Rate Base**

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Schedule: A-13
Page: 1 of 2
Preparer: R Griffin

Explanation: Provide the annual balance of accumulated amortization of CIAC, for water and sewer separately, for all years since either rate base was last established by this Commission or the date of inception of utility service if rate base has not been established previously by this Commission; and yearly additions, retirements, and adjustments by dollar amount up to the end of the test year. Provide an additional page if necessary. If a projected test year is used, include the projected annual additions and/or retirements specifically identifying those amounts.

Line No.	(1) Description	(2) Water Year End Balance	(3) Sewer Year End Balance
The balances for this system begin June 30, 2004 in accordance with PSC Amendatory Order			
1	12/31/95 Balance		
	1996		
2	Additions		
3	Adjustments		
4	12/31/96 Balance	_____	_____
	1997		
5	Additions		
6	Adjustments		
7	12/31/97 Balance	_____	_____
	1998		
8	Additions		
9	Adjustments		
10	12/31/98 Balance	_____	_____
	1999		
11	Additions		
12	Adjustments		
13	12/31/99 Balance	_____	_____
	2000		
14	Additions		
15	Adjustments		
16	12/31/00 Balance	_____	_____
	2001		
17	Additions		
18	Adjustments		
19	12/31/01 Balance	_____	_____

**Schedule of Water and Sewer Accumulated Amortization of CIAC
Annual Balances Subsequent to Last Established Rate Base**

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: A-13

Page: 2 of 2

Preparer: R Griffin

Explanation: Schedule A-13 continued

Line No.	(1) Description	(2) Water Year End Balance	(3) Sewer Year End Balance
	2002		
20	Additions		
21	Adjustments		
22	12/31/02 Balance		
	2003		
23	Additions		
24	Adjustments		
25	06/30/04 Amend. Order Balance	82,600	264,167
	2004		
26	Additions	1,269	4,391
27	Adjustments	(1)	0
28	12/31/04 Balance	83,868	268,558
	2005		
29	Additions	1,269	4,391
30	Adjustments	(1)	0
31	12/31/05 Balance	85,136	272,949
	2006		
32	Additions	10,196	25,948
33	Adjustments	(2,537)	(8,782)
34	12/31/06 Balance	92,795	290,115
	2007		
35	Additions	3,668	9,325
36	Adjustments	(481)	(9,301)
37	12/31/07 Balance	95,981	290,139

Supporting Schedules: A-14

Schedule of Accumulated Amortization of CIAC by Classification

Florida Public Service Commission

Test Year Average Balance

Palm Terrace

Schedule: A-14

Docket No. 080121-WS

Page: 1 of 3

Historical Test Year Ending December 31, 2007

Preparer: R Griffin/J Guastella

Historical 2007 & Pro Forma

Explanation: Provide the average Accumulated Amortization of CIAC balances by classification and Non-Used & useful calculations. If a projected year is employed, provide breakdown for test year, base year and intermediate year also.

Line No.	(1) Description	(2) Historical Test Year 2007			(5) Pro Forma Adjustments		
		(2) Adjusted Balance	(3) Non-Used & Useful %	(4) Amount	(5) Amount	(6) Non-Used & Useful %	(7) Amount
1	WATER						
2	Cash						
3	320 Water Treatment Equipment	92,312	0.00%	0		0.00%	0
4	334 Meter Fees	376	0.00%	0		0.00%	0
5	331 Main Extension Charge	1,646	0.00%	0		0.00%	0
6	333 Service Installation Fees	48	0.00%	0		0.00%	0
7	Total Cash	<u>94,383</u>		<u>0</u>	<u>0</u>		<u>0</u>
8							
9	Property						
10	330 Dist Reservoirs & Standpipes	0	0.00%	0		0.00%	0
11	331 T&D Mains	0	0.00%	0		0.00%	0
12	333 Services	0	0.00%	0		0.00%	0
13	334 Meters/Meter installation	0	0.00%	0		0.00%	0
14	335 Hydrants	0	0.00%	0		0.00%	0
15	Total Property	<u>0</u>		<u>0</u>	<u>0</u>		<u>0</u>
16							
17	Total Water	<u>94,383</u>		<u>0</u>	<u>0</u>		<u>0</u>
18							
19	SEWER						
20	Cash						
21	380 Treatment & Disposal Equipment	290,037	0.00%	0		0.00%	0
22	389 Other	0	0.00%	0		0.00%	0
23	361 Main Extension Charge	85	0.00%	0		0.00%	0
24	363 Service Installation Fees	0	0.00%	0		0.00%	0
25	Total Cash	<u>290,122</u>		<u>0</u>	<u>0</u>		<u>0</u>
26							
27	Property						
28	354 Structures & Improvements	0	0.00%	0		0.00%	0
29	360 Collection Sewers- Force	0	0.00%	0		0.00%	0
30	361 Collection Sewers- Gravity	0	0.00%	0		0.00%	0
31	363 Services to Customers	0	0.00%	0		0.00%	0
32	370 Lift Stations	0	0.00%	0		0.00%	0
33	371 Pumping Equipment	0	0.00%	0		0.00%	0
34	366 Reuse Services	0	0.00%	0		0.00%	0
35	375 Reuse Transmission & Dist Mains	0	0.00%	0		0.00%	0
36	389 Other Plant Misc Equip	0	0.00%	0		0.00%	0
37	Total Property	<u>0</u>		<u>0</u>	<u>0</u>		<u>0</u>
38							
39	Total Sewer	<u>290,122</u>		<u>0</u>	<u>0</u>		<u>0</u>

Schedule of Accumulated Amortization of CIAC by Classification
 Test Year Average Balance
Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission
 Schedule: A-14
 Page: 2 of 3
 Preparer: R Griffin/J Guastella

Explanation: Provide the **Per Books** monthly and average Accumulated Amortization of CIAC balances by classification. If a projected year is employed, provide breakdown for test year, base year and intermediate year also.

Line No.	Acct No.	(1) Description	(2) Prior Year Dec-2006	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) Dec-2007	(15) Average Balance
1		WATER														
2		Cash														
3	320	Water Treatment Equipment	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,309	92,312
4	334	Meter Fees	376	376	376	376	376	376	376	376	376	376	376	376	376	376
5	331	Main Extension Charge	58	363	668	973	1,278	1,583	1,888	2,193	2,498	2,803	3,108	3,418	3,728	1,890
6	333	Service Installation Fees	48	48	48	48	48	48	48	48	48	48	48	48	48	48
7		Total Cash AAC	92,795	93,100	93,405	93,710	94,015	94,320	94,625	94,930	95,235	95,540	95,845	96,155	96,462	94,626
8																
9		Property														
10	330	Dist Reservoirs & Standpipes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	331	T&D Mains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	333	Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	334	Meters/Meter Installation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	335	Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		Total Property AAC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16																
17		Total Water AAC	92,795	93,100	93,405	93,710	94,015	94,320	94,625	94,930	95,235	95,540	95,845	96,155	96,462	94,626
18																
19		SEWER														
20		Cash														
21	380	Treatment & Disposal Equipment	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,042	290,037
22	389	Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	361	Main Extension Charge	78	854	1,630	2,406	3,182	3,958	4,734	5,510	6,286	7,062	7,838	8,618	9,398	4,735
24	363	Service Installation Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25		Total Cash AAC	290,115	290,891	291,667	292,443	293,219	293,995	294,771	295,547	296,323	297,099	297,875	298,655	299,440	294,772
26																
27		Property														
28	354	Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	360	Collection Sewers- Force	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	361	Collection Sewers- Gravity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	363	Services to Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	370	Lift Stations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	371	Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	366	Reuse Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	375	Reuse Transmission & Dist Mains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	389	Other Plant Misc Equip	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37		Total Property AAC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38																
39		Total Sewer AAC	290,115	290,891	291,667	292,443	293,219	293,995	294,771	295,547	296,323	297,099	297,875	298,655	299,440	294,772

Schedule of Accumulated Amortization of CIAC by Classification
 Test Year Average Balance
 Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: A-14
 Page: 3 of 3
 Preparer: R Griffin/J Guastella

Explanation: Provide the **Adjusted** monthly and average Accumulated Amortization of CIAC balances by classification. If a projected year is employed, provide breakdown for test year, base year and intermediate year also.

Line No.	(1) Description	(2) Prior Year 12/01/06	(3) Jan	(4) Feb	(5) Mar	(6) Apr	(7) May	(8) Jun	(9) Jul	(10) Aug	(11) Sep	(12) Oct	(13) Nov	(14) 12/01/07	(15) Average Balance
1	WATER														
2	Cash														
3	320 Water Treatment Equipment	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312	92,312
4	334 Meter Fees	376	376	376	376	376	376	376	376	376	376	376	376	376	376
5	331 Main Extension Charge	58	323	587	851	1,115	1,380	1,644	1,908	2,173	2,437	2,706	2,975	3,244	1,646
6	333 Service Installation Fees	48	48	48	48	48	48	48	48	48	48	48	48	48	48
7	Total Cash AAC	92,795	93,059	93,324	93,588	93,852	94,116	94,381	94,645	94,909	95,173	95,442	95,712	95,981	94,383
8															
9	Property														
10	330 Dist Reservoirs & Standpipes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	331 T&D Mains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	333 Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	334 Meters/Meter Installation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	335 Hydrants	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Total Property AAC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16															
17	Total Water AAC	92,795	93,059	93,324	93,588	93,852	94,116	94,381	94,645	94,909	95,173	95,442	95,712	95,981	94,383
18															
19	SEWER														
20	Cash														
21	380 Treatment & Disposal Equipment	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037	290,037
22	389 Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	361 Main Extension Charge	78	79	80	81	82	83	84	84	85	86	91	96	102	85
24	363 Service Installation Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Total Cash AAC	290,115	290,116	290,117	290,118	290,119	290,120	290,121	290,122	290,122	290,123	290,128	290,134	290,139	290,122
26															
27	Property														
28	354 Structures & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	360 Collection Sewers- Force	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	361 Collection Sewers- Gravity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	363 Services to Customers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	370 Lift Stations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	371 Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	366 Reuse Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	375 Reuse Transmission & Dist Mains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36	389 Other Plant Misc Equip	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37	Total Property AAC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38															
39	Total Sewer AAC	290,115	290,116	290,117	290,118	290,119	290,120	290,121	290,122	290,122	290,123	290,128	290,134	290,139	290,122

Schedule of Annual AFUDC Rates Used**Florida Public Service Commission**

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: A-15
 Page: 1 of 1
 Preparer: N/A

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

<u>Year</u>	<u>Water Rate</u>	<u>Sewer Rate</u>
effective 1/1/06	7.90%	7.90%

DOCKET NO. 060819-WS, issued April 2, 2007

Rule 25-30.116, F.A.C., provides that Construction Work in Progress (CWIP) that is not included in rate base may accrue AFUDC.

Order No. PSC-07-0276-PAA-WS addresses the establishment of a uniform AFUDC rate for Aqua Utilities Florida, Inc.

The Florida PSC ordered that the appropriate uniform AFUDC rate for Aqua Utilities Florida, Inc. is 7.90% with a discounted monthly rate of 0.635634, and shall be effective for eligible projects as of October 13, 2006.

**Schedule of Water and Sewer Advances for Construction
Annual Balances Subsequent to Last Established Rate Base**

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
0

Schedule: A-16
Page: 1 of 1
Preparer: R Griffin

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

(1)	(2)	(3)
Line No.	Water Year End Balance	Sewer Year End Balance

Not Applicable. Advances For Construction are not being and have not been collected.

Schedule of Working Capital Allowance Calculation

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: A-17

Page: 1 of 1

Preparer: R Griffin

Explanation: Provide the calculation of working capital using the balance sheet method. The calculation should not include accounts that are reported in other rate base or cost of capital accounts. Unless otherwise explained, this calculation should include both current and deferred debits and credits. All adjustments to the per book accounts should be explained.

Line No.	(1) Description	(2) 12/31/06	(3) 2007 Average
1	Balance Sheet Accounts		
2	For All Systems:		
3	Accounts Receivable - Customer	1,850,777	1,870,929
4	Allowance for Bad Debts	(60,221)	(100,908)
5	Temporary Investments	0	392
6	Materials & Supplies	0	0
7	Unbilled Revenues	659,907	706,580
8	Prepayments	153,113	181,073
9			
10	TOTAL CURRENT ASSETS	<u>2,603,576</u>	<u>2,658,067</u>
11			
12	Less:		
13	Accounts Payable	2,281,410	799,218
14	Accrued Taxes	(601,457)	(1,155,342)
15	Accrued Interest	4,215	17,085
16	Misc. Current & Accrued Liabilities	463,905	675,491
17			
18	TOTAL CURRENT & ACC. LIABILITIES	<u>2,148,073</u>	<u>336,452</u>
19			
20	Total Working Capital Balance Sheet Accounts- All Systems	<u>455,503</u>	<u>2,321,615</u>
21			
22	Allocation for this System:		
23	Note: Allocation is by number of customers of all systems in Aqua Utilizes FL, Inc.		
24	Allocation Percentage - Water	<u>3.172%</u>	<u>3.125%</u>
25	Assets Allocated - Water (line 10 x line 23)	<u>82,587</u>	<u>83,060</u>
26	(Less)Liabilities Allocated - Water (line 18 x line 23)	<u>(68,138)</u>	<u>(10,514)</u>
27			
28	Allocation Percentage - Sewer	<u>2.741%</u>	<u>2.701%</u>
29	Assets Allocated - Sewer (line 7 x line 17)	<u>71,376</u>	<u>71,785</u>
30	(Less)Liabilities Allocated - Sewer (line 12 x line 17)	<u>(58,888)</u>	<u>(9,086)</u>
31			
32	Direct Assignment of CWC Accounts:		
33	Deferred Rate Case Expense		
34	Water	0	0
35	Sewer	0	0
36			
37	Other Regulatory Assets		
38	Water	60,456	57,097
39	Sewer	51,479	48,619
40			
41	Other Deferred Debits		
42	Water	0	0
43	Sewer	1,661	1,208
44			
45	Total Balance Sheet CWC-this system		
46	Water (Lines 25-26+34+38+42)	<u>74,905</u>	<u>129,644</u>
47	Sewer (Lines 29-30+35+39+43)	<u>65,627</u>	<u>112,526</u>

Supporting Schedules: A-18, A-19

Comparative Balance Sheet - Assets

Aqua Florida

Florida Public Service Commission

Palm Terrace

Docket No. 060121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

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

Schedule: A-18

Page: 1 of 1

Preparer: S Anzaldo

Line No.	(1) ASSETS	(2) Prior Year 12/31/06	(3) 1/31/07	(4) 2/28/07	(5) 3/31/07	(6) 4/30/07	(7) 5/31/07	(8) 6/30/07	(9) 7/31/07	(10) 8/31/07	(11) 9/30/07	(12) 10/31/07	(13) 11/30/07	(14) 12/31/07	(15) Average Balance
1	Utility Plant	85,966,260	90,505,275	91,370,203	91,349,024	91,778,934	92,095,149	92,842,612	93,231,021	93,369,496	93,767,683	93,763,576	97,847,581	98,842,627	92,825,342
2	Construction Work in Progress	10,726,248	6,220,061	6,049,130	7,003,882	7,735,248	8,218,675	7,940,645	8,053,771	8,374,520	8,444,199	8,791,519	5,053,856	4,064,016	7,436,598
3	Utility Plant Acquisition														
4															
5	GROSS UTILITY PLANT	96,692,508	96,725,336	97,419,333	98,352,906	99,514,182	100,313,824	100,783,257	101,284,792	101,744,016	102,211,882	102,555,095	102,901,437	102,906,643	100,261,939
6															
7	Less: Accumulated Depreciation	(30,194,077)	(30,093,298)	(30,398,174)	(30,450,557)	(30,730,116)	(30,990,656)	(31,217,204)	(31,443,483)	(31,783,136)	(32,068,280)	(32,373,717)	(32,489,964)	(32,868,357)	(31,315,463)
8															
9	NET UTILITY PLANT	66,498,431	66,632,038	67,021,159	67,902,349	68,784,066	69,323,168	69,566,053	69,841,309	69,960,880	70,143,602	70,181,378	70,411,473	70,038,286	68,946,476
10															
11	OTHER PHYSICAL PROPERTY	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,090,925	2,006,994
12															
13	Cash	330,281	367,195	367,195	367,195	417,936	417,116	301,508	271,853	304,160	284,090	506,591	333,233	257,874	348,171
14	Accounts Receivable Customer	1,850,777	1,634,935	1,748,924	1,607,823	1,833,110	1,896,851	2,019,818	2,089,363	1,802,602	2,346,154	2,126,091	1,495,145	1,870,490	1,870,929
15	Allowance for Bad Debts	(60,221)	(63,664)	(63,413)	(83,655)	(77,442)	(84,047)	(84,175)	(102,715)	(116,991)	(116,243)	(135,468)	(173,012)	(150,752)	(100,908)
16	Accounts Receivable Affiliates	(2,294,839)	(2,620,359)	(603,336)	(1,656,319)	(530,149)	(353,689)	(399,204)	(715,902)	(43,215)	(711,304)	(152,040)	(1,172,843)	(1,121,835)	(951,926)
17	Notes Rec. Affiliates			(741,899)	(741,899)	(1,045,138)	(1,045,138)	(1,045,138)	(1,045,138)	(1,045,138)	(1,045,138)	(1,045,138)	(1,045,138)	(1,045,138)	(757,300)
18	Temporary Investments		5,092												392
19	Materials & Supplies														
20	Unbilled Revenue	659,907	670,701	609,769	699,092	746,285	831,743	829,001	749,130	783,217	645,341	656,591	618,494	688,269	706,580
21	Prepayments	153,113	155,190	155,700	153,806	170,702	172,560	180,144	176,361	210,412	209,219	209,451	203,994	203,303	181,073
22	Other Current Assets		2,490	13,225	17,062	43		1,278	1,852	8,671	2,354	3,303	6,359	14,267	5,454
23															
24	TOTAL CURRENT ASSETS	639,018	151,580	1,486,165	363,105	1,515,347	1,635,396	1,803,232	1,424,804	1,903,718	1,614,473	2,169,381	264,232	1,761,616	1,302,467
25															
26	Prelim Survey & Investigation Chgs	2,695	2,695	2,695	2,695	2,695		3,025	5,302	104,923	106,243	145,695	146,751	150,924	52,026
27	Deferred Rate Case Expense	1,463,105	1,549,581	1,628,699	1,825,590	1,939,511	2,033,013	2,163,119	2,196,340	2,189,455	115,935	135,972	144,201	196,273	1,352,369
28	Regulatory Assets	1,902,193	1,885,647	1,829,101	1,792,556	1,756,010	1,719,463	1,682,918	1,652,285	1,621,652	1,591,019	1,561,082	1,529,754	1,499,121	1,692,523
29	Other Deferred Debits	499,109	490,193	477,396	473,555	484,060	473,612	464,714	454,054	443,845	426,275	411,422	366,609	508,769	461,047
30															
31	TOTAL DEFERRED DEBITS	3,867,102	3,908,116	3,937,891	4,094,396	4,182,276	4,226,088	4,313,776	4,307,981	4,359,875	2,239,472	2,254,171	2,207,315	2,355,087	3,557,965
32															
33	TOTAL ASSETS	73,004,551	72,691,734	74,445,215	74,359,850	76,481,689	77,384,652	77,683,061	77,574,094	78,224,473	75,997,547	76,604,930	74,683,020	76,245,914	75,813,902

Comparative Balance Sheet - Equity Capital & Liabilities

Aqua Florida

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007
 Historical [X] Projected []

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

Schedule: A-19
 Page: 1 of 1
 Preparer: S Anzaldo

Line No.	(1) Liabilities	(2) Prior Year 12/31/06	(3) 1/31/07	(4) 2/28/07	(5) 3/31/07	(6) 4/30/07	(7) 5/31/07	(8) 6/30/07	(9) 7/31/07	(10) 8/31/07	(11) 9/30/07	(12) 10/31/07	(13) 11/30/07	(14) 12/31/07	(15) Average Balance
1	Common Stock Issued	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744	52,724,744
2	Preferred Stock Issued														
3	Additional Paid In Capital	(4,180,143)	(3,762,331)	(1,879,557)	(1,268,794)	(465,141)	72,323	522,986	928,358	1,650,430	1,701,590	2,419,162	2,577,369	979,027	(54,209)
4	Retained Earnings	(14,202,351)	(14,323,829)	(14,519,439)	(14,610,772)	(14,521,137)	(14,470,292)	(14,512,011)	(14,776,827)	(15,108,004)	(17,037,040)	(17,267,575)	(17,561,226)	(17,942,759)	(15,450,251)
5	Other Equity Capital														
6															
7	TOTAL EQUITY CAPITAL	34,342,250	34,638,584	36,325,748	36,845,178	37,738,466	38,326,775	38,735,719	38,876,275	39,267,170	37,389,294	37,876,331	37,740,887	35,761,012	37,220,284
8															
9	TOTAL LONG TERM DEBT	20,501,000	21,640,440	21,640,440	21,640,440	22,645,869	22,645,869	22,645,869	22,645,869	22,645,869	22,645,869	22,645,869	22,645,869	26,136,123	22,517,338
10															
11	Accounts Payable	2,281,410	673,624	762,950	593,216	658,664	788,593	638,418	399,264	545,536	577,677	624,290	936,506	909,683	799,218
12	Accts & Int. Payable-Assoc Cos														
13	Accrued Taxes	(601,457)	(794,904)	(784,031)	(685,992)	(730,385)	(563,328)	(466,880)	(734,503)	(764,216)	(1,668,643)	(1,586,004)	(2,578,863)	(2,860,234)	(1,155,342)
14	Accrued Interest	4,215	6,873	9,451	11,943	14,386	16,977	19,467	21,934	24,164	26,615	28,803	30,940	6,333	17,085
15	Accrued Dividends														
16	Customer Deposits	582,055	574,701	563,299	551,856	538,675	532,477	539,456	531,789	520,054	513,357	501,455	493,285	287,122	517,660
17	Misc. Current & Accrued Liabilities	463,905	537,774	558,454	291,076	312,626	376,164	365,027	690,777	901,548	1,439,059	1,502,564	602,591	739,819	675,491
18															
19	TOTAL CURRENT & ACC LIABILITIES	2,730,128	998,068	1,110,123	562,099	793,966	1,150,883	1,095,488	909,261	1,227,086	888,065	1,071,108	(515,541)	(917,277)	854,112
20															
21	Other Deferred Credits & Oper. Reserves		2,044	4,088	6,132	7,739	8,909	10,079	11,249	12,419	13,589	14,759	15,929	17,099	9,541
22															
23	Contributions in Aid of Construction	26,756,946	26,814,834	26,843,520	26,861,162	26,927,275	26,960,311	26,981,271	26,994,018	27,011,754	27,077,994	27,091,567	27,168,192	27,263,271	26,980,932
24	Less: Accum Amort of CIAC	(11,493,433)	(11,569,896)	(11,646,361)	(11,722,827)	(11,799,291)	(11,875,755)	(11,953,026)	(12,030,242)	(12,107,485)	(12,184,923)	(12,262,362)	(12,339,976)	(12,351,642)	(11,949,017)
25	Accumulated Deferred Income Taxes-FIT	133,049	133,049	133,046	133,055	133,054	133,049	133,050	133,053	133,049	133,048	133,047	133,049	297,791	145,722
26	Accumulated Deferred Income Taxes-SIT	34,611	34,611	34,611	34,611	34,611	34,611	34,611	34,611	34,611	34,611	34,611	34,611	39,537	34,990
27															
28	Total CIAC & Def Taxes	15,431,173	15,412,598	15,364,816	15,306,001	15,295,649	15,252,216	15,195,906	15,131,440	15,071,929	15,080,730	14,996,863	14,995,876	15,248,957	15,212,627
29															
30	TOTAL EQUITY CAPITAL & LIABILITIES	73,004,551	72,691,734	74,445,215	74,359,850	76,481,689	77,384,652	77,683,061	77,574,094	78,224,473	75,997,547	76,604,930	74,883,020	76,245,914	75,813,902

**Palm Terrace
NET OPERATING INCOME**

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Schedule of Water Net Operating Income

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical 2007 & Pro Forma

Schedule: B-1

Page: 1 of 1

Preparer: S Szczygiel

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 2007	(3) Utility Test Year Adjustment	(4) Adjusted Test Year 2007	(5) Pro Forma Adjustments	(6) Pro Forma Adjusted	(7) Requested Revenue Adjustment	(8) Requested Annual Revenues	(9) Supporting Schedules
1	OPERATING REVENUES	317,409	(2,793)	314,616	0	314,616	311,421	626,037	B-4, E-2
2	Operation & Maintenance	394,440	50,385	444,824	28,528	473,353	4,599	477,952	B-5
3	Depreciation, net of CIAC Amort.,U&U	5,741	10,542	16,283	6,163	22,446	0	22,446	B-13
4	Amortization	0	6,717	6,717	0	6,717	0	6,717	B-3
5	Taxes Other Than Income	24,660	(5,130)	19,530	5,153	24,684	14,014	38,698	B-15
6	Provision for Income Taxes	(41,442)	(27,884)	(69,326)	(17,629)	(86,955)	112,950	25,995	C-1, B-3
7	OPERATING EXPENSES	383,399	34,631	418,029	22,215	440,245	131,564	571,808	
8	NET OPERATING INCOME	(65,990)	(37,424)	(103,414)	(22,215)	(125,629)	179,857	54,228	
9	RATE BASE	172,478	182,542	355,020	304,493	659,513		659,513	A-1
10	RATE OF RETURN	-38.26%		-29.13%				8.22%	

Schedule of Sewer Net Operating Income

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007
 Historical 2007 & Pro Forma

Schedule: B-2
 Page: 1 of 1
 Preparer: S Szczygiel

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.

(1) Line No.	(2) Description	(3) Per Books 2007	(4) Utility Test Year Adjustment	(5) Adjusted Test Year 2007	(6) Pro Forma Adjustments	(7) Pro Forma Adjusted	(8) Requested Revenue Adjustment	(9) Requested Annual Revenues	(10) Supporting Schedules
1	OPERATING REVENUES	384,667	(3,130)	381,537	0	381,537	128,586	510,123	B-4, E-2
2	Operation & Maintenance	211,359	36,500	247,859	39,622	287,482	1,899	289,381	B-6
3	Depreciation, net of CIAC Amort.,U&U	29,392	18,520	47,912	1,323	49,235	0	49,235	B-14
4	Amortization	0	5,720	5,720	0	5,720	0	5,720	B-3
5	Taxes Other Than Income	15,143	15,206	30,349	3,968	34,317	5,786	40,103	B-15
6	Provision for Income Taxes	49,674	(37,748)	11,926	(17,754)	(5,828)	46,638	40,810	C-1, B-3
7	OPERATING EXPENSES	305,568	38,198	343,766	27,159	370,926	54,323	425,249	
8	NET OPERATING INCOME	79,099	(41,329)	37,770	(27,159)	10,611	74,263	84,874	
9	RATE BASE	826,595	157,663	984,258	57,784	1,042,042		1,042,042	A-2
10	RATE OF RETURN	9.57%		3.84%				8.14%	

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: B-3
 Page: 1 of 4
 Preparer: S Szczygiel

Historical [X] Projected []

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.	Acct	(1) Description	(2) 2007 Water	(3) 2007 Sewer	(4) Supporting Schedules
1		UTILITY TEST YEAR ADJUSTMENTS - 2007			
2	A	REVENUES			
3		Billed less Booked Revenue	(2,793)		E-2
4		Billed less Booked Revenue		(3,130)	
5		TOTAL REVENUE ADJUSTMENTS	<u>(2,793)</u>	<u>(3,130)</u>	
6					
7	B	OPERATIONS & MAINTENANCE			B-5, B-6
8	601/701	Salaries & Wages - Employees	Normalize 2007 employee terminations & New Hires	4,505	582
9	601/701		Normalize 4.0% Wage increase effective 4/1/07 (additional 1.0%)	418	421
10	603/703	Salaries & Wages - Officers, Exec.	0	0	
11	604/704	Employee Pensions & Benefits	0	0	
12	610/710	Purchased Water / Sewer Treatment	Normalize Palm Terrace Purchased Water	1,921	0
13	NA/711	Sludge Removal Expense	0	0	
14	615/715	Purchased Power	0	0	
15	616/716	Fuel for Purchased Power	0	0	
16	618/718	Chemicals	0	0	
17	620/720	Materials & Supplies	0	0	
18	631/731	Contractual Services - Engineering	0	0	
19	632/732	Contractual Services - Accounting	Normalize 2007 Audit Fees	1,406	1,215
20	633/733	Contractual Services - Legal	Normalize Legal fees on Used & Useful	278	240
21	634/734	Contractual Services - Mgmt. Fees	Normalize 2007 Service Headcount	232	200
22	634/734		Normalize 2007 4.0% Service Wage increase effective 4/1/07	154	133
23	634/734		Normalize 2007 FICA taxes on Service 4.0% Wage increase effective 4/1/07	12	10
24	635/735	Contractual Services - Testing	0	0	
25	636/736	Contractual Services - Other	Normalize 2007 ACO billings	1,181	1,020
26	641/741	Rental of Building/Real Prop.	0	0	
27	642/742	Rental of Equipment	0	0	
28	650/750	Transportation Expenses	0	0	
29	656/756	Insurance - Vehicle	0	0	
30	657/757	Insurance - General Liability	0	0	
31	658/758	Insurance - Workman's Comp.	0	0	
32	659/759	Insurance - Other	0	0	
33	660/760	Advertising Expense	0	0	
34	666/766	Reg. Comm. Exp. - Rate Case Amort.	0	0	
35	667/767	Reg. Comm. Exp. - Rate Case Other	0	0	
36	670/770	Bad Debt Expense	0	0	
37	675/775	Miscellaneous Expense	Normalize 2007 Intercompany allocations	41,598	33,818
38	675/775		Normalize 2007 Intracompany misallocation of a/c 426 to Operating Expenses	(803)	(694)
39	675/775		Normalize 2007 Intercompany misallocation due to Fairways	(516)	(446)
40					
41					
42		TOTAL O&M ADJUSTMENTS	<u>50,385</u>	<u>36,500</u>	
43					

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Schedule Year Ended: 12/31/07
 Historical [] Projected [X]

Schedule: B-3
 Page: 2 of 4
 Preparer: S Szczygiel

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.	(1) Description	(2) Pro Forma Water	(3) Pro Forma Sewer	(4) Supporting Schedules
1	UTILITY TEST YEAR ADJUSTMENTS - 2007, continued			
2	C DEPRECIATION NET OF AMORTIZATION OF CIAC (Used & Useful)			B-13, B-14
3	Allocation of Corporate IT	10,120	8,746	
4	Allocation of Corp Structures & Improvements	174	150	
5		-	-	
6	PSC Depr Rate Correction, Depr Expn	(233)	323	
7	PSC Depr Rate Correction, Amort CIAC	481	9,301	
8		-	-	
9	TOTAL DEPRECIATION ADJUSTMENTS	<u>10,542</u>	<u>18,520</u>	
10				
11				
12	D AMORTIZATION			
13	To record annual amortization of regulatory assets per order PSC-05-1242-PAA-WS	6,717	5,720	
14		0	0	
15	TOTAL AMORTIZATION ADJUSTMENTS	<u>6,717</u>	<u>5,720</u>	
16				
17				
18	E TAXES OTHER THAN INCOME TAX			B-15
19	RAF adjustment	RAF on Adj'd Rev less RAF Per Books	(126)	(140)
20	Payroll tax adjustment	On Salary & Wage adjustments explained above	5,231	5,111
21	Property tax adjustment	Distributing from Water to Water & Sewer	(10,235)	10,235
22	Property tax adjustment		0	0
23	TOTAL TAXES OTHER THAN INCOME ADJUSTMENTS	<u>(5,130)</u>	<u>15,206</u>	
24				
25				
26	F INCOME TAXES			
27	Income tax impact of the adjustments to per book income	(27,884)	(37,748)	C-1
28	TOTAL INCOME TAX ADJUSTMENTS	<u>(27,884)</u>	<u>(37,748)</u>	
29				
30	TOTAL EXPENSE ADJUSTMENTS	<u>34,631</u>	<u>38,198</u>	

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Schedule Year Ended: 12/31/07
 Historical [] Projected [X]

Schedule: B-3
 Page: 3 of 4
 Preparer: S Szczygiel

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.	Acct	(1) Description	(2) Water	(3) Sewer	(4) Supporting Schedules
1		UTILITY PRO FORMA ADJUSTMENTS			
2					
3	B	OPERATIONS & MAINTENANCE			B-5, B-6
4	601/701	Salaries & Wages - Employees	4.0% Wage increase effective 4/1/08	1,689	1,701
5	601/701		Market Based Increases	2,162	1,615
6	601/701		New Rates Manager & Controller	5,313	4,592
7	601/701			0	0
8	601/701			0	0
9	603/703	Salaries & Wages - Officers, Exec.		0	0
10	604/704	Employee Pensions & Benefits	Increase in Benefit costs/head in 2008	597	725
11	610/710	Purchased Water / Sewer Treatment	Palm Terrace Purchased Water rate increases	2,838	0
12	NA/711	Sludge Removal Expense	Pasco County Sludge Hauling price increase in 2008		13,597
13	615/715	Purchased Power		0	0
14	616/716	Fuel for Purchased Power		0	0
15	618/718	Chemicals		0	0
16	620/720	Materials & Supplies		0	0
17	631/731	Contractual Services - Engineering		0	0
18	632/732	Contractual Services - Accounting		0	0
19	633/733	Contractual Services - Legal		0	0
20	634/734	Contractual Services - Mgmt. Fees	Additional 2008 Service Co headcount	156	135
21	634/734		Service Co. 4.0% Wage increase effective 4/1/08	607	524
22	634/734		FICA taxes on Service Co. 4.0% Wage increase effective 4/1/08	46	40
23	634/734		Service Co. allocation adjustment for dual Water/Sewer customers	(1,899)	(1,642)
24	634/734		Additional 2008 Service Co employee benefits	413	357
25	635/735	Contractual Services - Testing		0	0
26	636/736	Contractual Services - Other	ACO 4.0% Wage increase effective 4/1/08	257	222
27	636/736		FICA taxes on ACO 4.0% Wage increase effective 4/1/08	20	17
28	636/736		ACO allocation adjustment for dual Water/Sewer customers	(1,653)	(1,428)
29	636/736		Additional 2008 ACO employee benefits	1,855	1,603
30	636/736		Eliminate O/S Contractor meter reading	(4,194)	0
31	636/736			0	0
32	641/741	Rental of Building/Real Prop.	New office rent	263	227
33	642/742	Rental of Equipment		0	0
34	650/750	Transportation Expenses	Adjust fuel to \$3.36/gal	2,001	1,729
35	656/756	Insurance - Vehicle		0	0
36	657/757	Insurance - General Liability		0	0
37	658/758	Insurance - Workman's Comp.		0	0
38	659/759	Insurance - Other		0	0
39	660/760	Advertising Expense		0	0
40	666/766	Reg. Comm. Exp. - Rate Case Amort.	Details on Schedule B-10	16,183	13,986
41	667/767	Reg. Comm. Exp. - Rate Case Other		0	0
42	670/770	Bad Debt Expense		0	0
43	675/775	Miscellaneous Expense	New town hall meeting expense (Aqua Connects)	1,875	1,621
44					
45					
46		TOTAL O&M ADJUSTMENTS		<u>28,528</u>	<u>39,622</u>

Schedule of Adjustments to Operating Income

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Schedule Year Ended: 12/31/07
 Historical [] Projected [X]

Schedule: B-3
 Page: 4 of 4
 Preparer: S Szczygiel

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.	(1) Description	(2) Water	(3) Sewer	(4) Supporting Schedules
1	UTILITY PRO FORMA ADJUSTMENTS, continued			
2				
3	C DEPRECIATION NET OF AMORTIZATION OF CIAC (Used & Useful)			B-13, B-14
4	Meter Replacements 6 Month Net Depr (Addns less Retirements)	4,632	NA	
5	Allocation of new corp. PCs and Network & Telephony enhancements	1,531	1,323	
6		0	0	
7				
8		0	0	
9				
10		0	0	
11	TOTAL	<u>6,163</u>	<u>1,323</u>	
12				
13				
14	D AMORTIZATION			
15	-	0	0	
16	-	0	0	
17	TOTAL	<u>0</u>	<u>0</u>	
18				
19	E TAXES OTHER THAN INCOME TAX			B-15
20	Payroll tax adjustment On Salary & Wage adjustments explained above	303	261	
21	Property taxes associated with 2007 plant additions, allocations, adjustments	617	3,445	
22	Property taxes associated with Pro Forma plant	4,233	262	
23	Property Tax adjustment for Non-Used & Useful plant	0	0	
24	TOTAL	<u>5,153</u>	<u>3,968</u>	
25				
26	F INCOME TAXES			C-1
27	Income tax impact of the adjustments to per book income	(17,629)	(17,754)	
28	TOTAL	<u>(17,629)</u>	<u>(17,754)</u>	
29				
30	TOTAL EXPENSE ADJUSTMENTS	<u>22,215</u>	<u>27,159</u>	
31				
32				
33	UTILITY PROPOSED REVENUE REQUIREMENT ADJUSTMENTS			
34				
35	A NET OPERATING REVENUE			
36	Required Revenue Adjustment	<u>311,421</u>	<u>128,586</u>	B-1, B-2
37				
38	B OPERATION & MAINTENANCE EXPENSE			
39	Bad Debt Adjustment Due To Proposed Rate Increase	<u>4,599</u>	<u>1,899</u>	B-1, B-2
40				
41	E TAXES OTHER THAN INCOME TAX			
42	RAF on Revenue Adjustment @ 4.500%	<u>14,014</u>	<u>5,786</u>	
43				
44	F INCOME TAX ADJUSTMENT			
45	Rate Year Revenue at Present Rates	314,616	381,537	B-1, B-2
46	Plus Required Revenue Adjustment	311,421	128,586	
47	Rate Year Revenue at Proposed Rates	<u>626,037</u>	<u>510,123</u>	
48				
49	Less Operating Expenses Before Income Taxes	(545,813)	(384,439)	B-1, B-2
50	Less Interest Expense	(12,834)	(19,891)	D-1
51	Taxable Income	<u>67,389</u>	<u>105,793</u>	
52	Income Tax at Composite Rate of 38.575%	25,995	40,810	
53	Less Income Tax at Present Rates	86,955	5,828	C-1
54				
55	Income Tax Adjustment for Requested Revenue Increase	<u>112,950</u>	<u>46,638</u>	

Test Year Operating Revenues

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: B-4

Page: 1 of 1

Preparer: S Szczygiel

Historical [X] Projected []

Explanation: Complete the following revenue schedule for the historical test year or base year.

Line No.	(1) WATER		(2)		(3) SEWER		(4)	
	Account No. and Description	Revenues	Account No. and Description	Revenues	Account No. and Description	Revenues	Account No. and Description	Revenues
1	WATER SALES				SEWER SALES			
2	460.1	Unmetered Water Revenue	0		521.1	Flat Rate - Residential	0	
3	461.1	Metered - Residential	308,870		521.2	Flat Rate - Commercial	0	
4	461.2	Metered - Commercial	4,023		521.3	Flat Rate - Industrial	0	
5	461.3	Metered - Industrial	0		521.4	Flat Rate - Public Authorities	0	
6	461.4	Metered - Public Authorities	0		521.5	Flat Rate - Multi-Family	0	
7	461.5	Metered - Multi-Family	0		521.6	Flat Rate - Other	0	
8	461.6	Metered - Other	0		522.1	Measured - Residential	384,352	
9	462.1	Public Fire Protection	0		522.2	Measured - Commercial	315	
10	462.2	Private Fire Protection	0		522.3	Measured - Industrial	0	
11	464.0	Other Sales - Public Authorities	0		522.4	Measured - Public Authorities	0	
12	465.0	Irrigation Customers	0		522.5	Measured - Multi-Family	0	
13	466.0	Sales for Resale	0		523.0	Other Sales - Public Authorities	0	
14	467.0	Interdepartmental Sales	0		524.0	Revenues From Other Systems	0	
15	475.0	Unbilled Revenues	0		525.0	Interdepartmental Sales	0	
16					526.0	Effluent	0	
17					527.0	Unbilled Revenues	0	
18					540.5	Flat Rate - Reuse	0	
19	TOTAL WATER SALES		<u>312,894</u>		TOTAL SEWER SALES		<u>384,667</u>	
20								
21	OTHER WATER REVENUES				OTHER SEWER REVENUES			
22	470.0	Forfeited Discounts	0		531.0	Sale Of Sludge	0	
23	471.0	Misc. Service Revenues	4,515		532.0	Forfeited Discounts	0	
24	472.0	Rents From Water Property	0		534.0	Rents From Sewer Property	0	
25	473.0	Interdepartmental Rents	0		535.0	Interdepartmental Rents	0	
26	474.04	Other Water Revenues	0		536.0	Other Sewer Revenues	0	
27	TOTAL OTHER WATER REVENUES		<u>4,515</u>		TOTAL OTHER SEWER REVENUES		<u>0</u>	
28								
29	TOTAL WATER OPERATING REVENUES		<u><u>317,409</u></u>		TOTAL SEWER OPERATING REVENUES		<u><u>384,667</u></u>	

Detail of Operation & Maintenance Expenses By Month - Water
SUMMARY OF TOTAL ANNUAL UTILITY ADJUSTED WATER O & M

Florida Public Service Commission

Palm Terrace

Schedule: B-5

Docket No. 080121-WS

Page: 1 of 5

Historical Test Year Ending December 31, 2007

Preparer: S Szczygiel

Historical [X] Projected []

Explanation: Provide a schedule of operation and maintenance expenses by primary account for the Test Year

Line No.	Account No. and Name	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		2007	2007	2007	2007	Unacc. Water	2007	Pro Forma	Unacc. Water	Pro Forma
		Per Books	Normalizations	Normalized	Normalized	Ajdstmnt @	Adjusted	Adjustments	0.00%	Pro Forma
1	601 Salaries & Wages - Employees	24,065	4,923	28,988	28,988	0.00%	28,988	9,163	0.00%	38,151
2	603 Salaries & Wages - Officers, Exec.	2,434	0	2,434	2,434		2,434	0		2,434
3	604 Employee Pensions & Benefits	6,680	0	6,680	6,680		6,680	597		7,277
4	610 Purchased Water	259,175	1,921	261,096	261,096	0	261,096	2,838	0	263,934
5	615 Purchased Power	(187)	0	(187)	(187)		(187)	0		(187)
6	616 Fuel for Purchased Power	0	0	0	0	0	0	0	0	0
7	618 Chemicals	128	0	128	128		128	0		128
8	620 Materials & Supplies	1,035	0	1,035	1,035	0	1,035	0	0	1,035
9	631 Contractual Services - Engineering	377	0	377	377		377	0		377
10	632 Contractual Services - Accounting	(474)	1,406	932	932		932	0		932
11	633 Contractual Services - Legal	545	278	822	822		822	0		822
12	634 Contractual Services - Mgmt. Fees	26,092	398	26,489	26,489		26,489	(677)		25,812
13	635 Contractual Services - Testing	1,930	0	1,930	1,930		1,930	0		1,930
14	636 Contractual Services - Other	27,890	1,181	29,071	29,071		29,071	(3,714)		25,356
15	641 Rental of Building/Real Prop.	2,313	0	2,313	2,313		2,313	263		2,575
16	642 Rental of Equipment	177	0	177	177		177	0		177
17	650 Transportation Expenses	17,965	0	17,965	17,965		17,965	2,001		19,966
18	656 Insurance - Vehicle	1,235	0	1,235	1,235		1,235	0		1,235
19	657 Insurance - General Liability	4,912	0	4,912	4,912		4,912	0		4,912
20	658 Insurance - Workman's Comp.	736	0	736	736		736	0		736
21	659 Insurance - Other	1,620	0	1,620	1,620		1,620	0		1,620
22	660 Advertising Expense	11	0	11	11		11	0		11
23	666 Reg. Comm. Exp. - Rate Case Amort.	0	0	0	0		0	16,183		16,183
24	667 Reg. Comm. Exp. - Rate Case Other	0	0	0	0		0	0		0
25	670 Bad Debt Expense	9,896	0	9,896	9,896		9,896	0		9,896
26	675 Miscellaneous Expense	5,884	40,279	46,163	46,163		46,163	1,875		48,038
27										
28	TOTAL WATER O & M EXPENSES	394,440	50,385	444,824	444,824	0	444,824	28,528	0	473,353

Detail of Operation & Maintenance Expenses By Month - Water
Total O&M Expenses by Month

Florida Public Service Commission

Palm Terrace
Docket No. 060121-WS
Historical Test Year Ending December 31, 2007
Historical [X] Projected []

Schedule: B-5
Page: 2 of 5
Preparer: S Szczygiel

Explanation: Provide a schedule of operation and maintenance expenses by primary account for each month of the Test Year (unadjusted Per Books).

Line No.	(1) Account No. and Name	(2)-(13)												(14) Total Per Books Annual
		2007 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	2007 Dec	
1	601 Salaries & Wages - Employees	2,194	1,934	1,969	2,038	2,112	2,047	1,762	2,288	11,179	2,577	(8,181)	2,146	24,065
2	603 Salaries & Wages - Officers, Exec.	320	355	(1,680)	325	328	502	401	367	2,103	530	(1,510)	395	2,434
3	604 Employee Pensions & Benefits	630	709	261	635	670	659	697	229	298	127	1,025	740	6,680
4	610 Purchased Water	26,908	19,279	21,363	25,700	22,918	24,689	21,382	17,611	21,433	20,338	18,378	19,177	259,175
5	615 Purchased Power	13	13	14	13	14	15	17	17	155	23	(141)	(339)	(187)
6	616 Fuel for Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0
7	618 Chemicals	0	0	0	0	128	0	0	0	0	0	0	0	128
8	620 Materials & Supplies	(40)	136	182	50	21	27	255	191	244	128	(185)	25	1,035
9	631 Contractual Services - Engineering	47	47	47	47	47	47	47	47	0	0	0	0	377
10	632 Contractual Services - Accounting	329	287	287	(1,035)	168	168	165	167	(107)	164	172	(1,239)	(474)
11	633 Contractual Services - Legal	42	43	46	43	44	48	54	55	500	73	(455)	52	545
12	634 Contractual Services - Mgmt. Fees	1,750	1,747	2,083	2,764	2,687	2,492	1,793	1,084	3,231	1,936	2,443	2,082	26,092
13	635 Contractual Services - Testing	69	69	96	2	150	92	2	882	86	3	28	452	1,930
14	636 Contractual Services - Other	3,096	1,707	2,061	1,732	1,788	1,674	1,432	2,268	6,418	1,857	1,477	2,380	27,890
15	641 Rental of Building/Real Prop.	178	182	196	183	187	204	229	232	2,123	310	(1,930)	219	2,313
16	642 Rental of Equipment	14	14	15	14	14	16	18	18	163	24	(148)	17	177
17	650 Transportation Expenses	1,407	1,457	1,470	1,404	1,626	1,465	1,330	1,699	716	1,657	2,326	1,410	17,965
18	656 Insurance - Vehicle	103	103	103	103	103	103	102	103	103	103	102	103	1,235
19	657 Insurance - General Liability	410	410	410	410	410	410	404	409	411	409	408	409	4,912
20	658 Insurance - Workman's Comp.	61	61	61	61	61	61	61	61	62	61	61	61	736
21	659 Insurance - Other	135	135	136	136	136	135	133	135	135	135	134	135	1,620
22	660 Advertising Expense	1	1	1	1	1	1	1	1	11	2	(10)	1	11
23	666 Reg. Comm. Exp. - Rate Case Amort.	0	0	0	0	0	0	0	0	0	0	0	0	0
24	667 Reg. Comm. Exp. - Rate Case Other	0	0	0	0	0	0	0	0	0	0	0	0	0
25	670 Bad Debt Expense	681	2,496	2,380	1,573	299	343	987	1,998	(6,672)	11,867	(6,092)	36	9,896
26	675 Miscellaneous Expense	364	936	525	375	486	418	571	525	4,346	736	(3,951)	553	5,884
27														
28	TOTAL WATER O & M EXPENSES	38,712	32,121	32,027	36,576	34,399	35,616	31,844	30,386	46,937	43,059	3,951	28,814	394,440

**Detail of Operation & Maintenance Expenses By Month - Water
Direct Expenses by Month**

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007
Historical [X] Projected []

Schedule: B-5
Page: 3 of 5
Preparer: S Szczygiel

Explanation: Provide a schedule of **Direct O & M** expenses by primary account for each month of the Test Year.

Line No.	Account No. and Name	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		2007 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	2007 Dec	Total Annual	
1	601 Salaries & Wages - Employees	1,352	1,074	1,040	1,169	1,229	1,079	676	1,192	1,121	1,108	962	1,107	13,110	
2	603 Salaries & Wages - Officers, Exec.	0	0	(0)	0	0	0	0	(0)	0	(0)	0	0	0	
3	604 Employee Pensions & Benefits	(53)	(32)	(9)	(97)	(45)	(31)	(25)	(453)	(36)	(556)	(16)	(0)	(1,354)	
4	610 Purchased Water	26,908	19,279	21,363	25,700	22,918	24,689	21,382	17,611	21,433	20,338	18,378	19,177	259,175	
5	615 Purchased Power	0	0	0	0	0	0	0	0	0	0	0	(355)	(355)	
6	616 Fuel for Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0	
7	618 Chemicals	0	0	0	0	128	0	0	0	0	0	0	0	128	
8	620 Materials & Supplies	(60)	115	159	29	0	4	229	164	0	93	37	0	769	
9	631 Contractual Services - Engineering	47	47	47	47	47	47	47	47	0	0	0	0	377	
10	632 Contractual Services - Accounting	(0)	0	0	(865)	0	0	0	(0)	0	0	(0)	0	(865)	
11	633 Contractual Services - Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	
12	634 Contractual Services - Mgmt. Fees	0	(0)	(0)	0	0	(0)	0	0	0	(0)	(0)	0	0	
13	635 Contractual Services - Testing	68	68	95	0	149	90	0	880	68	0	45	450	1,911	
14	636 Contractual Services - Other	1,735	460	882	439	430	438	70	852	2,076	266	3,228	903	11,777	
15	641 Rental of Building/Real Prop.	0	0	0	0	0	0	0	0	0	0	0	0	0	
16	642 Rental of Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	650 Transportation Expenses	89	0	(0)	(0)	(0)	(0)	0	0	0	(0)	(0)	(0)	89	
18	656 Insurance - Vehicle	0	0	0	0	0	0	(0)	(0)	(0)	0	0	0	0	
19	657 Insurance - General Liability	0	(0)	0	0	(0)	0	0	0	(0)	(0)	(0)	(0)	0	
20	658 Insurance - Workman's Comp.	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0	
21	659 Insurance - Other	0	0	0	0	0	0	(0)	(0)	(0)	(0)	0	0	0	
22	660 Advertising Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	666 Reg. Comm. Exp. - Rate Case Amort.	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	667 Reg. Comm. Exp. - Rate Case Other	0	0	0	0	0	0	0	0	0	0	0	0	0	
25	670 Bad Debt Expense	692	2,508	2,393	1,585	311	356	1,002	2,012	(6,537)	11,886	(6,215)	50	10,044	
26	675 Miscellaneous Expense	0	564	123	0	104	0	102	51	0	101	0	104	1,150	
27															
28	TOTAL WATER O & M EXPENSES	30,777	24,082	26,093	28,007	25,271	26,672	23,483	22,356	18,124	33,237	16,419	21,435	295,954	

Detail of Operation & Maintenance Expenses By Month - Water
Intercompany Expenses

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Schedule: B-5

Page: 4 of 5

Preparer: S Szczygiel

Explanation: Provide a schedule of **Allocated & Accrued Intercompany** O & M expenses by primary account for each month of the Test Year.

Line No.	(1) Account No. and Name	(2)-(12)											(13)	(14)
		2007 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	2007 Dec	Total Annual
1	601 Salaries & Wages - Employees	0	0	0	0	0	0	0	0	0	0	0	0	0
2	603 Salaries & Wages - Officers, Exec.	166	197	(1,850)	166	166	324	202	166	259	260	166	204	426
3	604 Employee Pensions & Benefits	712	771	302	762	745	723	759	720	680	733	727	775	8,411
4	610 Purchased Water	0	0	0	0	0	0	0	0	0	0	0	0	0
5	615 Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0
6	616 Fuel for Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0
7	618 Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0
8	620 Materials & Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
9	631 Contractual Services - Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0
10	632 Contractual Services - Accounting	329	287	287	(169)	168	168	166	168	(102)	164	168	(1,238)	396
11	633 Contractual Services - Legal	0	0	0	0	0	0	0	0	0	0	0	0	0
12	634 Contractual Services - Mgmt. Fees	1,749	1,746	2,082	2,763	2,686	2,491	1,793	1,083	3,222	1,935	2,450	2,081	26,082
13	635 Contractual Services - Testing	0	0	0	0	0	0	0	0	0	0	0	0	0
14	636 Contractual Services - Other	1,092	972	881	1,014	1,075	926	1,014	1,064	1,116	1,120	1,182	1,144	12,599
15	641 Rental of Building/Real Prop.	0	0	0	0	0	0	0	0	0	0	0	0	0
16	642 Rental of Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0
17	650 Transportation Expenses	1,379	1,520	1,538	1,468	1,691	1,536	1,410	1,779	1,452	1,764	1,656	1,486	18,678
18	656 Insurance - Vehicle	103	103	103	103	103	103	102	103	103	103	103	103	1,234
19	657 Insurance - General Liability	410	410	410	410	410	410	404	409	409	409	409	409	4,910
20	658 Insurance - Workman's Comp.	61	61	61	61	61	61	61	61	61	61	61	61	736
21	659 Insurance - Other	135	135	136	136	136	135	133	135	135	135	135	135	1,619
22	660 Advertising Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
23	666 Reg. Comm. Exp. - Rate Case Amort.	0	0	0	0	0	0	0	0	0	0	0	0	0
24	667 Reg. Comm. Exp. - Rate Case Other	0	0	0	0	0	0	0	0	0	0	0	0	0
25	670 Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
26	675 Miscellaneous Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
27														
28	TOTAL WATER O & M EXPENSES	6,137	6,203	3,950	6,714	7,241	6,878	6,043	5,688	7,336	6,685	7,058	5,160	75,092

Detail of Operation & Maintenance Expenses By Month - Water
Intracompany Expenses

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007
Historical [X] Projected []

Schedule: B-5
Page: 5 of 5
Preparer: S Szczygiel

Explanation: Provide a schedule of **Allocated Intracompany O & M** expenses by primary account for each month of the Test Year.

Line No.	Account No. and Name	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		2007 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	2007 Dec	Total Annual	Allocation Rate	
1	601 Salaries & Wages - Employees	842	860	929	869	884	967	1,085	1,097	10,057	1,469	(9,144)	1,039	10,955	46.83%	
2	603 Salaries & Wages - Officers, Exec.	154	158	170	159	162	177	199	201	1,844	269	(1,676)	191	2,009	8.59%	
3	604 Employee Pensions & Benefits	(29)	(30)	(32)	(30)	(30)	(33)	(37)	(38)	(346)	(50)	314	(36)	(377)	-1.61%	
4	610 Purchased Water	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
5	615 Purchased Power	13	13	14	13	14	15	17	17	155	23	(141)	16	169	0.72%	
6	616 Fuel for Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
7	618 Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
8	620 Materials & Supplies	20	21	23	21	21	24	26	27	244	36	(222)	25	266	1.14%	
9	631 Contractual Services - Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
10	632 Contractual Services - Accounting	(0)	(0)	(0)	(0)	(0)	(0)	(1)	(1)	(5)	(1)	5	(1)	(6)	-0.02%	
11	633 Contractual Services - Legal	42	43	46	43	44	48	54	55	500	73	(455)	52	545	2.33%	
12	634 Contractual Services - Mgmt. Fees	1	1	1	1	1	1	1	1	8	1	(8)	1	9	0.04%	
13	635 Contractual Services - Testing	2	2	2	2	2	2	2	2	18	3	(17)	2	20	0.09%	
14	636 Contractual Services - Other	270	276	298	279	283	310	348	352	3,226	471	(2,933)	333	3,514	15.02%	
15	641 Rental of Building/Real Prop.	178	182	196	183	187	204	229	232	2,123	310	(1,930)	219	2,313	9.89%	
16	642 Rental of Equipment	14	14	15	14	14	16	18	18	163	24	(148)	17	177	0.76%	
17	650 Transportation Expenses	(62)	(63)	(68)	(64)	(65)	(71)	(79)	(80)	(736)	(108)	669	(76)	(802)	-3.43%	
18	656 Insurance - Vehicle	0	0	0	0	0	0	0	0	0	0	(0)	0	0	0.00%	
19	657 Insurance - General Liability	0	0	0	0	0	0	0	0	2	0	(2)	0	2	0.01%	
20	658 Insurance - Workman's Comp.	0	0	0	0	0	0	0	0	0	0	(0)	0	0	0.00%	
21	659 Insurance - Other	0	0	0	0	0	0	0	0	1	0	(1)	0	1	0.00%	
22	660 Advertising Expense	1	1	1	1	1	1	1	1	11	2	(10)	1	11	0.05%	
23	666 Reg. Comm. Exp. - Rate Case Amort.	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
24	667 Reg. Comm. Exp. - Rate Case Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
25	670 Bad Debt Expense	(11)	(12)	(13)	(12)	(12)	(13)	(15)	(15)	(135)	(20)	129	(14)	(147)	-0.63%	
26	675 Miscellaneous Expense	364	372	401	375	382	418	469	474	4,346	635	(3,951)	449	4,734	20.24%	
27																
28	TOTAL WATER O & M EXPENSES	1,797	1,837	1,984	1,855	1,887	2,066	2,318	2,342	21,477	3,137	(19,526)	2,219	23,394	100.00%	
	675863 Service & Sundry input to be allocated to lines 1-26	1,797	1,837	1,984	1,855	1,887	2,066	2,318	2,342	21,477	3,137	(19,526)	2,219	23,394		

Detail of Operation & Maintenance Expenses By Month - Sewer
SUMMARY OF TOTAL ANNUAL UTILITY ADJUSTED WATER O & M

Florida Public Service Commission

Palm Terrace

Schedule: B-6

Docket No. 080121-WS

Page: 1 of 5

Historical Test Year Ending December 31, 2007

Preparer: S Szczygiel

Historical [X] Projected []

Explanation: Provide a schedule of operation and maintenance expenses by primary account for the Test Year

Line No.	(1) Account No. and Name	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		2007 Per Books	2007 Normalizations	2007 Normalized	Excess I&I Ajdstmnt @ N/A	2007 Adjusted	Pro Forma Adjustments	Excess I&I Ajdstmnt @ N/A	Pro Forma
1	701 Salaries & Wages - Employees	25,137	1,003	26,140		26,140	7,908		34,048
2	703 Salaries & Wages - Officers, Exec.	2,287	0	2,287		2,287	0		2,287
3	704 Employee Pensions & Benefits	3,284	0	3,284		3,284	725		4,009
4	710 Purchased Sewage Treatment	0	0	0	0	0	0	0	0
5	711 Sludge Removal Expense	30,407	0	30,407		30,407	13,597		44,004
6	715 Purchased Power	18,380	0	18,380	0	18,380	0	0	18,380
7	716 Fuel for Power Production	0	0	0		0	0		0
8	718 Chemicals	28,637	0	28,637	0	28,637	0	0	28,637
9	720 Materials & Supplies	4,233	0	4,233		4,233	0		4,233
10	731 Contractual Services - Engineering	328	0	328		328	0		328
11	732 Contractual Services - Accounting	(415)	1,215	801		801	0		801
12	733 Contractual Services - Legal	520	240	760		760	0		760
13	734 Contractual Services - Mgmt. Fees	22,550	344	22,893		22,893	(585)		22,308
14	735 Contractual Services - Testing	12,644	0	12,644		12,644	0		12,644
15	736 Contractual Services - Other	27,159	1,020	28,179		28,179	414		28,593
16	741 Rental of Building/Real Prop.	2,209	0	2,209		2,209	227		2,436
17	742 Rental of Equipment	170	0	170		170	0		170
18	750 Transportation Expenses	15,376	0	15,376		15,376	1,729		17,105
19	756 Insurance - Vehicle	1,067	0	1,067		1,067	0		1,067
20	757 Insurance - General Liability	4,245	0	4,245		4,245	0		4,245
21	758 Insurance - Workman's Comp.	636	0	636		636	0		636
22	759 Insurance - Other	1,400	0	1,400		1,400	0		1,400
23	760 Advertising Expense	11	0	11		11	0		11
24	766 Reg. Comm. Exp. - Rate Case Amort.	0	0	0		0	13,986		13,986
25	767 Reg. Comm. Exp. - Other	0	0	0		0	0		0
26	770 Bad Debt Expense	5,357	0	5,357		5,357	0		5,357
27	775 Miscellaneous Expense	5,739	32,677	38,416		38,416	1,621		40,037
28									
29	TOTAL WATER O & M EXPENSES	211,359	36,500	247,859	0	247,859	39,622	0	287,482

Detail of Operation & Maintenance Expenses By Month - Sewer
Total O&M Expenses by Month

Florida Public Service Commission

Palm Terrace

Schedule: B-6
Page: 2 of 5
Preparer: S Szczygiel

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007
Historical [X] Projected []

Explanation: Provide a schedule of operation and maintenance expenses by primary account for each month of the Test Year (unadjusted Per Books).

Line No.	Account No. and Name	2007												Total Per Books Annual
		(1) Jan	(2) Feb	(3) Mar	(4) Apr	(5) May	(6) Jun	(7) Jul	(8) Aug	(9) Sep	(10) Oct	(11) Nov	(12) Dec	
1	701 Salaries & Wages - Employees	1,966	1,892	2,124	2,039	2,088	2,061	2,183	2,521	11,229	2,774	(7,738)	1,997	25,137
2	703 Salaries & Wages - Officers, Exec.	289	319	(1,437)	295	298	450	367	337	2,038	486	(1,515)	361	2,287
3	704 Employee Pensions & Benefits	776	241	287	(221)	(748)	(329)	172	619	228	565	1,118	576	3,284
4	710 Purchased Sewage Treatment	0	0	0	0	0	0	0	0	0	0	0	0	0
5	711 Sludge Removal Expense	2,187	3,126	2,575	1,596	3,308	2,108	2,704	2,694	2,391	3,109	2,522	2,087	30,407
6	715 Purchased Power	183	1,428	2,981	1,500	1,508	1,411	1,457	202	1,715	345	3,519	2,129	18,380
7	716 Fuel for Power Production	0	0	0	0	0	0	0	0	0	0	0	0	0
8	718 Chemicals	274	2,454	2,129	992	1,364	1,976	907	4,485	3,953	957	4,421	4,726	28,637
9	720 Materials & Supplies	19	358	21	487	363	386	984	599	588	462	(220)	185	4,233
10	731 Contractual Services - Engineering	41	41	41	41	41	41	41	41	0	0	0	0	328
11	732 Contractual Services - Accounting	284	248	248	(898)	145	145	143	144	(93)	141	150	(1,071)	(415)
12	733 Contractual Services - Legal	40	40	44	41	42	46	52	52	492	71	(450)	50	520
13	734 Contractual Services - Mgmt. Fees	1,512	1,509	1,800	2,389	2,322	2,154	1,550	937	2,794	1,674	2,110	1,800	22,550
14	735 Contractual Services - Testing	119	191	2,067	197	174	2,888	475	2,540	862	694	531	1,905	12,844
15	736 Contractual Services - Other	1,755	2,087	3,120	1,750	1,675	1,572	1,289	1,734	8,308	2,647	(1,405)	2,627	27,159
16	741 Rental of Building/Real Prop.	168	171	187	175	178	195	222	223	2,088	300	(1,910)	212	2,209
17	742 Rental of Equipment	13	13	14	13	14	15	17	17	160	23	(147)	16	170
18	750 Transportation Expenses	1,134	1,254	1,264	1,208	1,399	1,259	1,141	1,461	531	1,421	2,094	1,210	15,376
19	756 Insurance - Vehicle	89	89	89	89	89	89	88	89	89	89	89	89	1,067
20	757 Insurance - General Liability	354	354	355	354	355	355	349	354	355	354	352	354	4,245
21	758 Insurance - Workman's Comp.	53	53	53	53	53	53	52	53	53	53	53	53	636
22	759 Insurance - Other	117	117	117	117	117	117	115	117	117	117	116	117	1,400
23	760 Advertising Expense	1	1	1	1	1	1	1	1	10	1	(9)	1	11
24	766 Reg. Comm. Exp. - Rate Case Amort.	0	0	0	0	0	0	0	0	0	0	0	0	0
25	767 Reg. Comm. Exp. - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
26	770 Bad Debt Expense	235	428	7	1,063	546	813	639	683	2,054	730	(4,874)	3,031	5,357
27	775 Miscellaneous Expense	345	980	506	358	469	400	556	506	4,275	716	(3,910)	539	5,739
28														
29	TOTAL WATER O & M EXPENSES	11,954	17,395	18,593	13,639	15,801	18,205	15,506	20,407	44,239	17,729	(5,104)	22,995	211,359

Detail of Operation & Maintenance Expenses By Month - Sewer
Direct Expenses by Month

Florida Public Service Commission

Palm Terrace

Docket No. 060121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Schedule: B-6

Page: 3 of 5

Preparer: S Szczygiel

Explanation: Provide a schedule of Direct O & M expenses by primary account for each month of the Test Year.

Line No.	Account No. and Name	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		2007 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	2007 Dec	Total Annual	
1	701 Salaries & Wages - Employees	1,168	1,083	1,240	1,211	1,244	1,136	1,132	1,467	1,337	1,352	1,310	991	14,671	
2	703 Salaries & Wages - Officers, Exec.	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0	0	(0)	0	0	(0)	
3	704 Employee Pensions & Benefits	0	(588)	(134)	(1,042)	(1,545)	(1,098)	(623)	(146)	(184)	(201)	0	(238)	(5,800)	
4	710 Purchased Sewage Treatment	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	711 Sludge Removal Expense	2,187	3,126	2,575	1,596	3,308	2,108	2,704	2,694	2,391	3,109	2,522	2,087	30,407	
6	715 Purchased Power	170	1,416	2,967	1,488	1,495	1,397	1,441	186	1,563	324	3,659	2,114	18,218	
7	716 Fuel for Power Production	0	0	0	0	0	0	0	0	0	0	0	0	0	
8	718 Chemicals	274	2,454	2,129	992	1,364	1,976	907	4,485	3,953	957	4,421	4,726	28,637	
9	720 Materials & Supplies	0	338	0	467	342	363	958	573	348	428	0	161	3,978	
10	731 Contractual Services - Engineering	41	41	41	41	41	41	41	41	0	0	0	0	328	
11	732 Contractual Services - Accounting	0	0	0	(752)	0	0	0	(0)	(0)	(0)	(0)	0	(752)	
12	733 Contractual Services - Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	
13	734 Contractual Services - Mgmt. Fees	(0)	(0)	0	0	0	0	(0)	0	(0)	(0)	0	(0)	(0)	
14	735 Contractual Services - Testing	118	190	2,065	195	173	2,886	473	2,538	844	691	547	1,903	12,625	
15	736 Contractual Services - Other	556	987	2,076	608	476	476	76	476	4,171	1,223	476	1,316	12,913	
16	741 Rental of Building/Real Prop.	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	742 Rental of Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	
18	750 Transportation Expenses	(0)	(0)	0	(0)	0	(0)	0	0	(0)	(0)	0	(0)	(0)	
19	756 Insurance - Vehicle	0	0	0	0	0	0	0	(0)	(0)	(0)	(0)	(0)	0	
20	757 Insurance - General Liability	0	0	0	0	0	0	0	0	0	(0)	(0)	(0)	0	
21	758 Insurance - Workman's Comp.	(0)	(0)	(0)	(0)	(0)	(0)	0	0	0	0	0	0	0	
22	759 Insurance - Other	0	0	(0)	(0)	(0)	0	0	(0)	(0)	(0)	(0)	(0)	0	
23	760 Advertising Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	766 Reg. Comm. Exp. - Rate Case Amort.	0	0	0	0	0	0	0	0	0	0	0	0	0	
25	767 Reg. Comm. Exp. - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	
26	770 Bad Debt Expense	246	439	19	1,075	558	826	653	697	2,188	749	(4,996)	3,045	5,498	
27	775 Miscellaneous Expense	0	630	123	0	104	0	102	51	0	101	0	104	1,216	
28															
29	TOTAL WATER O & M EXPENSES	4,760	10,116	13,101	5,878	7,560	10,110	7,864	13,062	16,610	8,732	7,939	16,207	121,939	

Detail of Operation & Maintenance Expenses By Month - Sewer Intercompany Expenses

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Schedule: B-6

Page: 4 of 5

Preparer: S Szczygiel

Explanation: Provide a schedule of **Allocated & Accrued Intercompany O & M** expenses by primary account for each month of the Test Year.

Line No.	(1) Account No. and Name	(2)-(13)												(14) Total Annual	
		2007 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	2007 Dec		
1	701 Salaries & Wages - Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	703 Salaries & Wages - Officers, Exec.	143	170	(1,599)	143	143	280	175	143	224	225	144	177	368	
3	704 Employee Pensions & Benefits	803	857	452	850	827	800	832	801	751	815	807	849	9,443	
4	710 Purchased Sewage Treatment	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	711 Sludge Removal Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	
6	715 Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0	
7	716 Fuel for Power Production	0	0	0	0	0	0	0	0	0	0	0	0	0	
8	718 Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	
9	720 Materials & Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0	
10	731 Contractual Services - Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0	
11	732 Contractual Services - Accounting	285	248	248	(146)	145	145	143	145	(88)	142	145	(1,070)	342	
12	733 Contractual Services - Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	
13	734 Contractual Services - Mgmt. Fees	1,511	1,509	1,799	2,388	2,321	2,153	1,549	936	2,785	1,673	2,118	1,799	22,541	
14	735 Contractual Services - Testing	0	0	0	0	0	0	0	0	0	0	0	0	0	
15	736 Contractual Services - Other	943	840	761	876	929	800	877	920	964	968	1,021	989	10,888	
16	741 Rental of Building/Real Prop.	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	742 Rental of Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	
18	750 Transportation Expenses	1,192	1,314	1,329	1,268	1,461	1,327	1,218	1,538	1,255	1,525	1,432	1,284	16,142	
19	756 Insurance - Vehicle	89	89	89	89	89	89	88	89	89	89	89	89	1,066	
20	757 Insurance - General Liability	354	354	354	354	354	354	349	354	354	354	354	354	4,244	
21	758 Insurance - Workman's Comp.	53	53	53	53	53	53	52	53	53	53	53	53	636	
22	759 Insurance - Other	117	117	117	117	117	117	115	116	117	117	117	117	1,400	
23	760 Advertising Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	766 Reg. Comm. Exp. - Rate Case Amort.	0	0	0	0	0	0	0	0	0	0	0	0	0	
25	767 Reg. Comm. Exp. - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	
26	770 Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	
27	775 Miscellaneous Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	
28															
29	TOTAL WATER O & M EXPENSES	5,491	5,551	3,604	5,993	6,440	6,118	5,399	5,095	6,504	5,959	6,279	4,638	67,070	

Detail of Operation & Maintenance Expenses By Month - Sewer
Intracompany Expenses

Florida Public Service Commission

Palm Terrace

Schedule: B-6

Docket No. 080121-WS

Page: 5 of 5

Historical Test Year Ending December 31, 2007

Preparer: S Szczygiel

Historical [X] Projected []

Explanation: Provide a schedule of Allocated Intracompany O & M expenses by primary account for each month of the Test Year.

Line No.	Account No. and Name	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
		2007 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	2007 Dec	Total Annual	Allocation Rate	
1	701 Salaries & Wages - Employees	797	809	884	828	844	926	1,051	1,054	9,893	1,422	(9,049)	1,007	10,466	46.83%	
2	703 Salaries & Wages - Officers, Exec.	146	148	162	152	155	170	193	193	1,814	261	(1,659)	185	1,919	8.59%	
3	704 Employee Pensions & Benefits	(27)	(28)	(30)	(28)	(29)	(32)	(36)	(36)	(340)	(49)	311	(35)	(360)	-1.61%	
4	710 Purchased Sewage Treatment	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
5	711 Sludge Removal Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
6	715 Purchased Power	12	12	14	13	13	14	16	16	152	22	(139)	15	161	0.72%	
7	716 Fuel for Power Production	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
8	718 Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
9	720 Materials & Supplies	19	20	21	20	21	22	26	26	240	35	(220)	24	254	1.14%	
10	731 Contractual Services - Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
11	732 Contractual Services - Accounting	(0)	(0)	(0)	(0)	(0)	(0)	(1)	(1)	(5)	(1)	5	(1)	(5)	-0.02%	
12	733 Contractual Services - Legal	40	40	44	41	42	46	52	52	492	71	(450)	50	520	2.33%	
13	734 Contractual Services - Mgmt. Fees	1	1	1	1	1	1	1	1	8	1	(8)	1	9	0.04%	
14	735 Contractual Services - Testing	1	1	2	2	2	2	2	2	18	3	(16)	2	19	0.09%	
15	736 Contractual Services - Other	256	260	284	266	271	297	337	338	3,173	456	(2,902)	323	3,357	15.02%	
16	741 Rental of Building/Real Prop.	168	171	187	175	178	195	222	223	2,088	300	(1,910)	212	2,209	9.89%	
17	742 Rental of Equipment	13	13	14	13	14	15	17	17	160	23	(147)	16	170	0.76%	
18	750 Transportation Expenses	(58)	(59)	(65)	(61)	(62)	(68)	(77)	(77)	(724)	(104)	662	(74)	(766)	-3.43%	
19	756 Insurance - Vehicle	0	0	0	0	0	0	0	0	0	0	(0)	0	0	0.00%	
20	757 Insurance - General Liability	0	0	0	0	0	0	0	0	2	0	(2)	0	2	0.01%	
21	758 Insurance - Workman's Comp.	0	0	0	0	0	0	0	0	0	0	(0)	0	0	0.00%	
22	759 Insurance - Other	0	0	0	0	0	0	0	0	1	0	(0)	0	1	0.00%	
23	760 Advertising Expense	1	1	1	1	1	1	1	1	10	1	(9)	1	11	0.05%	
24	766 Reg. Comm. Exp. - Rate Case Amort.	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
25	767 Reg. Comm. Exp. - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	
26	770 Bad Debt Expense	(11)	(11)	(12)	(11)	(11)	(12)	(14)	(14)	(133)	(19)	122	(14)	(141)	-0.63%	
27	775 Miscellaneous Expense	345	350	382	358	365	400	454	456	4,275	615	(3,910)	435	4,523	20.24%	
28																
29	TOTAL WATER O & M EXPENSES	1,703	1,728	1,888	1,768	1,802	1,977	2,244	2,251	21,125	3,037	(19,323)	2,149	22,350	100.00%	
	775863 Service & Sundry input to be allocated to lines 1-27	1,703	1,728	1,888	1,768	1,802	1,977	2,244	2,251	21,125	3,037	(19,323)	2,149	22,350		

Operation & Maintenance Expense Comparison - Water

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: B-7
 Page: 1 of 1
 Preparer: S Szczygiel

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.

Line No.	Acct No.	(1) Account Name	(2) Historical Year 2002	(3) Test Year Adjusted 2007	(4) Difference	(5) % Difference
1	601	Salaries & Wages - Employees	46,458	28,988	(17,470)	-37.60%
2	603	Salaries & Wages - Officers, Exec.	0	2,434	2,434	-
3	604	Employee Pensions & Benefits	6,871	6,680	(191)	-2.78%
4	610	Purchased Water	117,315	261,096	143,781	122.56%
5	615	Purchased Power	2,742	(187)	(2,929)	-106.81%
6	616	Fuel for Power Production	0	0	0	-
7	618	Chemicals	721	128	(593)	-82.25%
8	620	Materials & Supplies	2,933	1,035	(1,898)	-64.72%
9	631	Contractual Services - Engineering	168	377	209	124.52%
10	632	Contractual Services - Accounting	578	932	354	61.27%
11	633	Contractual Services - Legal	3,408	822	(2,586)	-75.87%
12	634	Contractual Services - Mgmt. Fees	0	26,489	26,489	-
13	635	Contractual Services - Testing	9,735	1,930	(7,805)	-80.17%
14	636	Contractual Services - Other	2,895	29,071	26,176	904.17%
15	641	Rental of Building/Real Prop.	1,163	2,313	1,150	98.84%
16	642	Rental of Equipment	67	177	110	164.86%
17	650	Transportation Expenses	5,192	17,965	12,773	246.01%
18	656	Insurance - Vehicle	0	1,235	1,235	-
19	657	Insurance - General Liability	4,151	4,912	761	18.34%
20	658	Insurance - Workman's Comp.	952	736	(216)	-22.65%
21	659	Insurance - Other	16	1,620	1,604	10025.18%
22	660	Advertising Expense	188	11	(177)	-93.89%
23	666	Reg. Comm. Exp. - Rate Case Amort.	0	0	0	-
24	667	Reg. Comm. Exp. - Other	1,231	0	(1,231)	-100.00%
25	670	Bad Debt Expense	3,142	9,896	6,754	214.97%
26	675	Miscellaneous Expense	11,795	46,163	34,368	291.37%
27	TOTAL WATER O & M EXPENSES		221,721	444,824	223,103	100.62%
28	Total Customers (EOY)		1,187.0	1,204.0	17.0	1.43%
29	Consumer Price Index - U					<u>11.38%</u>
30	Growth Plus Inflation					<u>12.98%</u>

Supporting Schedules: B-5, F-8

Operation & Maintenance Expense Comparison - Water

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: B-7 Supl

Page: 1 of 1

Preparer: S Szczygiel

Explanation: Provide an explanation of all differences which are not attributable to the change in customer growth and the CPI-U.

Line No.	(1) Acct No.	(2) Account Name	(3) Explanation
1	601	Salaries & Wages - Employees	
2	603	Salaries & Wages - Officers, Exec.	Prior owner did not allocate all admin costs to entities
3	604	Employee Pensions & Benefits	
4	610	Purchased Water	Purchase all water - took plant offline
5	615	Purchased Power	
6	616	Fuel for Power Production	
7	618	Chemicals	
8	620	Materials & Supplies	
9	631	Contractual Services - Engineering	Prior owner did not allocate all admin costs to entities
10	632	Contractual Services - Accounting	Prior owner did not allocate all admin costs to entities
11	633	Contractual Services - Legal	
12	634	Contractual Services - Mgmt. Fees	Prior owner did not allocate all admin costs to entities
13	635	Contractual Services - Testing	
14	636	Contractual Services - Other	Prior owner did not allocate all admin costs to entities
15	641	Rental of Building/Real Prop.	Prior owner did not allocate all admin costs to entities
16	642	Rental of Equipment	Prior owner did not allocate all admin costs to entities
17	650	Transportation Expenses	Prior owner did not allocate all admin costs to entities
18	656	Insurance - Vehicle	Prior owner did not allocate all admin costs to entities
19	657	Insurance - General Liability	Prior owner did not allocate all admin costs to entities
20	658	Insurance - Workman's Comp.	
21	659	Insurance - Other	Prior owner did not allocate all admin costs to entities
22	660	Advertising Expense	
23	666	Reg. Comm. Exp. - Rate Case Amort.	
24	667	Reg. Comm. Exp. - Other	
25	670	Bad Debt Expense	Policy is to reserve 70% of aging > 90 days
26	675	Miscellaneous Expense	Prior owner did not allocate all admin costs to entities

Operation & Maintenance Expense Comparison - Sewer

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: B-8
 Page: 1 of 1
 Preparer: S Szczygiel

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.

Line No.	Acct No.	(1) Account Name	(2) Historical Year 2002	(3) Test Year Adjusted 2007	(4) Difference	(5) % Difference
1	701	Salaries & Wages - Employees	51,428	26,140	(25,288)	-49.17%
2	703	Salaries & Wages - Officers, Exec.	0	2,287	2,287	-
3	704	Employee Pensions & Benefits	8,223	3,284	(4,939)	-60.07%
4	710	Purchased Sewage Treatment	0	0	0	-
5	711	Sludge Removal Expense	58,114	30,407	(27,707)	-47.68%
6	715	Purchased Power	14,081	18,380	4,299	30.53%
7	716	Fuel for Power Production	0	0	0	-
8	718	Chemicals	10,012	28,637	18,625	186.03%
9	720	Materials & Supplies	12,410	4,233	(8,177)	-65.89%
10	731	Contractual Services - Engineering	146	328	182	124.33%
11	732	Contractual Services - Accounting	500	801	301	60.18%
12	733	Contractual Services - Legal	2,947	760	(2,187)	-74.20%
13	734	Contractual Services - Mgmt. Fees	0	22,893	22,893	-
14	735	Contractual Services - Testing	15,964	12,644	(3,320)	-20.80%
15	736	Contractual Services - Other	3,611	28,179	24,568	680.36%
16	741	Rental of Building/Real Prop.	1,006	2,209	1,203	119.62%
17	742	Rental of Equipment	58	170	112	192.31%
18	750	Transportation Expenses	4,359	15,376	11,017	252.74%
19	756	Insurance - Vehicle	0	1,067	1,067	-
20	757	Insurance - General Liability	3,589	4,245	656	18.29%
21	758	Insurance - Workman's Comp.	985	636	(349)	-35.39%
22	759	Insurance - Other	14	1,400	1,386	9900.59%
23	760	Advertising Expense	162	11	(151)	-93.23%
24	766	Reg. Comm. Exp. - Rate Case Amort.	0	0	0	-
25	767	Reg. Comm. Exp. - Other	1,064	0	(1,064)	-100.00%
26	770	Bad Debt Expense	2,717	5,357	2,640	97.16%
27	775	Miscellaneous Expense	18,358	38,416	20,058	109.26%
28	TOTAL SEWER O & M EXPENSES		<u>209,748</u>	<u>247,859</u>	<u>38,111</u>	<u>18.17%</u>
29	Total Customers (EOY)		1,035.0	1,033.0	(2.0)	-0.19%
30	Consumer Price Index - U					<u>11.38%</u>
31	Growth Plus Inflation					<u>11.17%</u>

Supporting Schedules: B-6, F-8

Operation & Maintenance Expense Comparison - Sewer

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: B-8 Supl

Page: 1 of 1

Preparer: S Szczygiel

Explanation: Provide an explanation of all differences which are not attributable to the change in customer growth and the CPI-U.

Line No.	(1) Acct No.	(2) Account Name	(3) Explanation
1	701	Salaries & Wages - Employees	
2	703	Salaries & Wages - Officers, Exec.	Prior owner did not allocate all admin costs to entities
3	704	Employee Pensions & Benefits	
4	710	Purchased Sewage Treatment	
5	711	Sludge Removal Expense	
6	715	Purchased Power	Increased direct power charges & indirect allocation of admin costs.
7	716	Fuel for Power Production	
8	718	Chemicals	Plant running max capacity - increased flows
9	720	Materials & Supplies	
10	731	Contractual Services - Engineering	Prior owner did not allocate all admin costs to entities
11	732	Contractual Services - Accounting	Prior owner did not allocate all admin costs to entities
12	733	Contractual Services - Legal	
13	734	Contractual Services - Mgmt. Fees	Prior owner did not allocate all admin costs to entities
14	735	Contractual Services - Testing	
15	736	Contractual Services - Other	Prior owner did not allocate all admin costs to entities
16	741	Rental of Building/Real Prop.	Prior owner did not allocate all admin costs to entities
17	742	Rental of Equipment	Prior owner did not allocate all admin costs to entities
18	750	Transportation Expenses	Prior owner did not allocate all admin costs to entities
19	756	Insurance - Vehicle	Prior owner did not allocate all admin costs to entities
20	757	Insurance - General Liability	Prior owner did not allocate all admin costs to entities
21	758	Insurance - Workman's Comp.	
22	759	Insurance - Other	Prior owner did not allocate all admin costs to entities
23	760	Advertising Expense	
24	766	Reg. Comm. Exp. - Rate Case Amort.	
25	767	Reg. Comm. Exp. - Other	
26	770	Bad Debt Expense	Policy is to reserve 70% of aging > 90 days
27	775	Miscellaneous Expense	Prior owner did not allocate all admin costs to entities

Contractual Services**Florida Public Service Commission**

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: B-9
 Page: 1 of 1
 Preparer: S Szczygiel

Explanation: Provide a complete list of outside services which were incurred during the test year. List by type of service, such as accounting, engineering or legal, and provide specific detail of work performed by each consultant and the associated cost breakdown by items. Provide amounts separated by system and method of allocation if appropriate. Specific detail is not necessary for charges which are less than 2% of the test year revenues for that system. Do not include rate case expense charges.

Line No.	(1) Consultant	(2) Type of Service	(3) Amount	(4) Description of Work Performed
Water				
1	Aqua Services, Inc.	Management	31,817	Corporate services and sundry charges
2	26483Harbor Branch	Testing-Treat-Ops	10,217	Lab Testing
3				
4				
5				
6				
7				
8				
9				
10				
Sewer				
11	Aqua Services, Inc.	Management	28,070	Corporate services and sundry charges
12	26483Harbor Branch	Testing-T&D-Oper	9,425	Lab Testing
13				
14				
15				
16				
17				
18				
19				
20				

Analysis of Rate Case Expense

Florida Public Service Commission

Palm Terrace
Docket No. 060121-WS
 Historical Test Year Ending December 31, 2007

Schedule: B-10
 Page: 1 of 1
 Preparer: S Szczygiel

Explanation: Provide the total amount of rate case expense requested in the application. State whether the total includes the amount up to proposed agency action or through a hearing before the Commission. Provide a breakdown of the total by persons assisting in the application, including the hours billed, the hourly rate, and a detailed list of services provided. Also provide the amortization and its allocation, including support behind this determination.

Line No.	(1) Firm or Vendor Name	(2) Counsel, Consultant or Witness	(3) Hourly Rate	(4) Total Est of Firm's Charges	(5) Type of Service Rendered	(6) Comments	(7) Hours
1	<u>Legal</u>						
2		Rutledge, Eceña, Purnell & Hoffman	300.00	275,000	Legal		917
3	<u>Sub-Total Legal</u>			<u>275,000</u>			
4							
5	<u>Consulting & Other Experts</u>						
6		Timothy P. Ward, CPA	95.00	165,000	Consulting	Management and tracking of case development and analysis of booking and ratemaking issues and regulations,	1,737
7		Ronald J. Pascert	80.00	150,000	Consulting	Witness Back up for Rate Base & Taxes, completion of supporting workpapers, and analysis of book and tax issues Development and Support	1,875
8	Guastella & Assoc.		195.00	120,000	Consulting	Analysis of Books, Used & Useful studies, Prep of MFRs, Interrogs. & Conferences.	615
9	AUS Consultants		175.00	164,000	Consulting	Billing Analyses	937
10		Robert Griffin	125.00	80,000	Consulting	Witness on Rate Base	640
11	DTF Solutions, Inc.	Daniel Franceski	80.00	30,000	Consulting	MFR and other programming development and support for mechanized programs	375
12	<u>Sub-Total Consulting</u>			<u>709,000</u>			
13							
14	<u>Aqua Services Employees Time</u>						
15	Aqua Services, Inc.	Daubert, J.R.	47.00	45,000	Accounting		957
16	Aqua Services, Inc.	Devine, Brian	40.00	30,000	Accounting		750
17	Aqua Services, Inc.	Drager, Rick	52.00	45,000	Accounting		865
18	Aqua Services, Inc.	Guth, Nance	36.58	5,000	Accounting		137
19	Aqua Services, Inc.	Shank, David	72.00	5,000	Accounting		69
20	Aqua Services, Inc.	Joyce, Kim	78.00	60,000	Legal		769
21	<u>Sub-Total Aqua Employees</u>			<u>190,000</u>			
22							
23	<u>Other</u>						
24	Travel, Lodging & Meals			25,000			
25	System Maps			40,000			
26	PSC Pre-Audit			10,000			
27							
28	FL PSC	FL PSC		9,000	Filing Fee		
29	Printer			75,000	Printing, mailing, copies		
30	Notice Requirement			3,400	Newspaper Notices	17 County Notices placed 2 times.	
31	Customer Notices - Printing			3,000	Customer Notification	Notices send twice (1 per hearing)	
32	Customer Notices - Postage & Mailing			20,700	Customer Notification	Notices send twice (1 per hearing)	
33	Other			3,900			
34	<u>Sub-Total Other</u>			<u>190,000</u>			
35	<u>Total</u>			<u>1,364,000</u>			
36	Estimate Through PAA [] or Commission Hearing [X]						

	(A) Total	(B) Water		(C) Sewer		(D) Allocation %	(E) Allocated Amount
		Allocation %	Allocated Amount	Allocation %	Allocated Amount		
a Amortization of Rate Case Expense:							
b							
c							
d Prior Unamortized Rate Case Expense	0	4.746%	0		4.101%	0	
e Subtotal Prior Cases	0		0			0	
f							
g Current rate Case Expense	1,364,000	4.746%	64,731		4.101%	55,944	
h							
i Total Projected Rate Case Expense	1,364,000		64,731			55,944	
j							
k Amortization Period In Years:	4						
l Annual Amortization	341,000		16,183			13,986	
m							
n Method of Allocation Between Systems: (Provide Calculation)							

Note: Allocation is by # of customers of the systems in this rate case filing.

Analysis of Major Maintenance Projects

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: B-11
 Page: 1 of 1
 Preparer: S Szczygiel

Explanation: Provide an analysis of all maintenance projects greater than 2% of test year revenues per system which occurred during the 2 years prior to the test year, the test year, and the budgeted amount for 1 year subsequent to the test year. For each project, provide a description, the total cost or budgeted amount and how often the project should be repeated.

Line No.	(1) Date	(2) Description	(3) Total Cost	(4) How often to Repeat
1	<u>WATER:</u>			
2		None		
3				
4				
5				
6				
7				
8				
9				
10		TOTAL WATER PROJECTS	0	
11				
12	<u>SEWER:</u>			
13		None		
14				
15				
16				
17				
18				
19				
20		TOTAL SEWER PROJECTS	0	

**Allocation of Expenses
Intercompany Expenses Per Books
Palm Terrace**

Docket No. 080121-WS
Historical Test Year Ending December 31, 2007
Historical [X] Projected []

Florida Public Service Commission

Schedule: B-12
Page: 1 of 2
Preparer: S Szczygiel

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.

(1) Line No.	(2) Acct. No. Water Sewer		(3) Description	(4)-(7) Allocation Percentages				(8) Allocation Method	(9)-(12) Amounts Allocated				(13) Gross Amounts
	Water	Sewer		Water	Sewer	Other	Total		Water	Sewer	Other	Total	
1	601	701	Salaries & Wages - Employees						0	0		0	
2	603	703	Salaries & Wages - Officers, Exec.	3.04%	2.63%		5.66%	#Custs	426	368		793	14,011
3	604	704	Employee Pensions & Benefits	1.05%	1.18%		2.24%	#Custs	8,411	9,443		17,854	797,833
4	610	710	Purchased Water/Sewage Trtmnt						0	0		0	
5	615	715	Purchased Power						0	0		0	
6	616	716	Fuel for Purchased Power						0	0		0	
7	618	718	Chemicals						0	0		0	
8	620	720	Materials & Supplies						0	0		0	
9	631	731	Contractual Services - Engineering						0	0		0	
10	632	732	Contractual Services - Accounting	3.26%	2.81%		6.07%	#Custs	396	342		739	12,175
11	633	733	Contractual Services - Legal						0	0		0	
12	634	734	Contractual Services - Mgmt. Fees	3.15%	2.72%		5.87%	#Custs	26,082	22,541		48,623	828,223
13	635	735	Contractual Services - Testing						0	0		0	
14	636	736	Contractual Services - Other	3.15%	2.72%		5.87%	#Custs	12,599	10,888		23,488	400,015
15	641	741	Rental of Building/Real Prop.						0	0		0	
16	642	742	Rental of Equipment						0	0		0	
17	650	750	Transportation Expenses	3.15%	2.72%		5.87%	#Custs	18,678	16,142		34,820	593,365
18	656	756	Insurance - Vehicle	3.15%	2.72%		5.87%	#Custs	1,234	1,066		2,301	39,196
19	657	757	Insurance - General Liability	3.15%	2.72%		5.87%	#Custs	4,910	4,244		9,154	155,967
20	658	758	Insurance - Workman's Comp.	3.15%	2.72%		5.87%	#Custs	736	636		1,372	23,380
21	659	759	Insurance - Other	3.15%	2.72%		5.87%	#Custs	1,619	1,400		3,019	51,436
22	660	760	Advertising Expense						0	0		0	
23	666	766	Reg. Comm. Exp. - Rate Case Amort						0	0		0	
24	667	767	Reg. Comm. Exp. - Rate Case Other						0	0		0	
25	670	770	Bad Debt Expense						0	0		0	
26	675	775	Miscellaneous Expense						0	0		0	

Allocation methodology is addressed in Appendix 1

Allocation of Expenses
Intracompany Expenses Per Books
Palm Terrace
Docket No. 080121-WS

Historical Test Year Ending December 31, 2007
 Historical [X] Projected []

Florida Public Service Commission

Schedule: B-12
 Page: 2 of 2
 Preparer: S Szczygiel

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.

(1) Line No.	(2) Acct. No. Water Sewer		(3) Description	(4)-(7) Allocation Percentages				(8) Allocation Method	(9)-(12) Amounts Allocated				(13) Gross Amounts
	Water	Sewer		Water	Sewer	Other	Total		Water	Sewer	Other	Total	
1	601	701	Salaries & Wages - Employees	1.09%	1.05%		2.14%	#Custs	10,955	10,466		21,421	1,001,378
2	603	703	Salaries & Wages - Officers, Exec.	1.09%	1.05%		2.14%	#Custs	2,009	1,919		3,928	183,603
3	604	704	Employee Pensions & Benefits	1.09%	1.05%		2.14%	#Custs	(377)	(360)		(736)	(34,419)
4	610	710	Purchased Water/Sewage Trtmnt						0	0		0	-
5	615	715	Purchased Power	1.09%	1.05%		2.14%	#Custs	169	161		330	15,420
6	616	716	Fuel for Purchased Power						0	0		0	-
7	618	718	Chemicals						0	0		0	-
8	620	720	Materials & Supplies	1.09%	1.05%		2.14%	#Custs	266	254		520	24,327
9	631	731	Contractual Services - Engineering						0	0		0	-
10	632	732	Contractual Services - Accounting	1.09%	1.04%		2.14%	#Custs	(6)	(5)		(11)	(503)
11	633	733	Contractual Services - Legal	1.09%	1.05%		2.14%	#Custs	545	520		1,065	49,793
12	634	734	Contractual Services - Mgmt. Fees	1.09%	1.05%		2.14%	#Custs	9	9		18	845
13	635	735	Contractual Services - Testing	1.09%	1.05%		2.14%	#Custs	20	19		39	1,820
14	636	736	Contractual Services - Other	1.09%	1.05%		2.14%	#Custs	3,514	3,357		6,871	321,204
15	641	741	Rental of Building/Real Prop.	1.09%	1.05%		2.14%	#Custs	2,313	2,209		4,522	211,386
16	642	742	Rental of Equipment	1.09%	1.05%		2.14%	#Custs	177	170		347	16,221
17	650	750	Transportation Expenses	1.09%	1.05%		2.14%	#Custs	(802)	(766)		(1,568)	(73,289)
18	656	756	Insurance - Vehicle	1.09%	1.04%		2.12%	#Custs	0	0		1	42
19	657	757	Insurance - General Liability	1.10%	1.05%		2.14%	#Custs	2	2		4	166
20	658	758	Insurance - Workman's Comp.	1.09%	1.04%		2.13%	#Custs	0	0		1	25
21	659	759	Insurance - Other	1.09%	1.04%		2.13%	#Custs	1	1		1	55
22	660	760	Advertising Expense	1.09%	1.05%		2.14%	#Custs	11	11		22	1,050
23	666	766	Reg. Comm. Exp. - Rate Case Amort						0	0		0	-
24	667	767	Reg. Comm. Exp. - Rate Case Other						0	0		0	-
25	670	770	Bad Debt Expense	1.09%	1.05%		2.14%	#Custs	(147)	(141)		(288)	(13,483)
26	675	775	Miscellaneous Expense	1.03%	0.99%		2.02%	#Custs	4,734	4,523		9,257	458,407

Allocation methodology is addressed in Appendix 1

Net Depreciation Expense - Water

Florida Public Service Commission

Palm Terrace

Schedule: B-13

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: R Griffin

Historical [X] Projected []

Explanation: Provide a schedule of test year non-used and useful depreciation expense by primary account.

Line No.	(1) Account No. and Name	(2) through (6) Historical Test Year 2007					(7) through (8) Pro Forma Adjustments	
		2007 Expense	(3) Utility Adjustments	(4) Adjusted Expense	(5) Used & Useful		(7) Depreciation Expense	(8) U & U Expense
					%	Expense		
1	INTANGIBLE PLANT							
2	301.1 Organization	14	0	14	100.00%	14	0	0
3	302.1 Franchises	82	0	82	100.00%	82	0	0
4	339.1 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0
5	SOURCE OF SUPPLY & PUMPING PLANT							
6	303.2 Land & Land Rights	0	0	0	100.00%	0	0	0
7	304.2 Structures & Improvements	0	0	0	100.00%	0	0	0
8	305.2 Collect. & Impound Reservoirs	0	0	0	100.00%	0	0	0
9	306.2 Lake, River & Other Intakes	0	0	0	100.00%	0	0	0
10	307.2 Wells & Springs	290	0	290	100.00%	290	0	0
11	308.2 Infiltration Galleries & Tunnels	0	0	0	100.00%	0	0	0
12	309.2 Supply Mains	601	1	602	100.00%	602	0	0
13	310.2 Power Generation Equipment	0	0	0	100.00%	0	0	0
14	311.2 Pumping Equipment	382	0	382	100.00%	382	0	0
15	339.2 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0
16	WATER TREATMENT PLANT							
17	303.3 Land & Land Rights	0	0	0	100.00%	0	0	0
18	304.3 Structures & Improvements	179	0	179	100.00%	179	0	0
19	311.3 Pumping Equipment	0	0	0	100.00%	0	0	0
20	320.3 Water Treatment Equipment	0	0	0	100.00%	0	0	0
21	339.3 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0
22	TRANSMISSION & DISTRIBUTION PLANT							
23	303.4 Land & Land Rights	0	0	0	100.00%	0	0	0
24	304.4 Structures & Improvements	0	0	0	100.00%	0	0	0
25	311.4 Pumping Equipment	0	0	0	100.00%	0	0	0
26	330.4 Distr. Reservoirs & Standpipes	270	16	286	100.00%	286	0	0
27	331.4 Transm. & Distribution Mains	3,119	0	3,119	100.00%	3,119	0	0
28	333.4 Services	144	0	144	100.00%	144	0	0
29	334.4 Meters & Meter Installations	3,301	(249)	3,052	100.00%	3,052	4,632	4,632
30	335.4 Hydrants	0	0	0	100.00%	0	0	0
31	336.4 Backflow Prevention	0	0	0	100.00%	0	0	0
32	339.4 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0
33	GENERAL PLANT							
34	303.5 Land & Land Rights	0	0	0	100.00%	0	0	0
35	304.5 Structures & Improvements	0	174	174	100.00%	174	0	0
36	340.5 Office Furniture & Equipment	0	0	0	100.00%	0	0	0
37	340.51 Computer Equipment	0	10,120	10,120	100.00%	10,120	1,531	1,531
38	341.5 Transportation Equipment	0	0	0	100.00%	0	0	0
39	342.5 Stores Equipment	0	0	0	100.00%	0	0	0
40	343.5 Tools, Shop & Garage Equipment	476	0	476	100.00%	476	0	0
41	344.5 Laboratory Equipment	174	0	174	100.00%	174	0	0
42	345.5 Power Operated Equipment	0	0	0	100.00%	0	0	0
43	346.5 Communication Equipment	0	0	0	100.00%	0	0	0
44	347.5 Miscellaneous Equipment	375	0	375	100.00%	375	0	0
45	348.5 Other Tangible Plant	0	0	0	100.00%	0	0	0
46								
47	TOTAL DEPRECIATION EXPENSE	9,408	10,061	19,469		19,469	6,163	6,163
48	Composite U&U Rate				100.00%			
49	(LESS) AMORTIZATION OF CIAC	(3,668)	481	(3,186)		(3,186)	0	0
50								
51	NET DEPRECIATION EXPENSE	5,741	10,542	16,283		16,283	6,163	6,163

Net Depreciation Expense - Sewer

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007
 Historical [X] Projected []

Schedule: B-14
 Page: 1 of 1
 Preparer: R Griffin

Explanation: Provide a schedule of test year non-used and useful depreciation expense by primary account.

Line No.	Account No. and Name	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Historical Test Year 2007						Pro Forma Adjustments	
		2007 Expense	Utility Adjustments	Adjusted Expense	Used & Useful %	Expense	Depreciation Expense	U & U Expense	
1	INTANGIBLE PLANT								
2	351.1 Organization	14	0	14	100.00%	14	0	0	
3	352.1 Franchises	72	0	72	100.00%	72	0	0	
4	389.1 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0	
5	COLLECTION PLANT								
6	353.2 Land & Land Rights	0	0	0	100.00%	0	0	0	
7	354.2 Structures & Improvements	0	0	0	100.00%	0	0	0	
8	355.2 Power Generation Equipment	0	0	0	100.00%	0	0	0	
9	360.2 Collection Sewers - Force	10,373	0	10,373	100.00%	10,373	0	0	
10	361.2 Collection Sewers - Gravity	5,165	0	5,165	100.00%	5,165	0	0	
11	362.2 Special Collecting Structures	0	0	0	100.00%	0	0	0	
12	363.2 Services to Customers	55	0	55	100.00%	55	0	0	
13	364.2 Flow Measuring Devices	1,484	298	1,782	100.00%	1,782	0	0	
14	365.2 Flow Measuring Installations	0	0	0	100.00%	0	0	0	
15	389.2 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0	
16	SYSTEM PUMPING PLANT								
17	353.3 Land & Land Rights	0	0	0	100.00%	0	0	0	
18	354.3 Structures & Improvements	705	0	705	100.00%	705	0	0	
19	355.3 Power Generation Equipment	0	0	0	100.00%	0	0	0	
20	370.3 Receiving Wells	462	0	462	100.00%	462	0	0	
21	371.3 Pumping Equipment	3,445	0	3,445	100.00%	3,445	0	0	
22	389.3 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0	
23	TREATMENT AND DISPOSAL PLANT								
24	353.4 Land & Land Rights	0	0	0	100.00%	0	0	0	
25	354.4 Structures & Improvements	3,515	0	3,515	100.00%	3,515	0	0	
26	355.4 Power Generation Equipment	0	0	0	100.00%	0	0	0	
27	380.4 Treatment & Disposal Equipment	8,256	0	8,256	100.00%	8,256	0	0	
28	381.4 Plant Sewers	4,914	0	4,914	100.00%	4,914	0	0	
29	382.4 Outfall Sewer Lines	0	0	0	100.00%	0	0	0	
30	389.4 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0	
31	RECLAIMED WATER TREATMENT PLANT								
32	353.5 Land & Land Rights	0	0	0	100.00%	0	0	0	
33	354.5 Structures & Improvements	0	0	0	100.00%	0	0	0	
34	355.5 Power Generation Equipment	0	0	0	100.00%	0	0	0	
35	371.5 Pumping Equipment	0	0	0	100.00%	0	0	0	
36	374.5 Reuse Distribution Reservoirs	0	0	0	100.00%	0	0	0	
37	380.5 Treatment & Disposal Equipment	26	0	26	100.00%	26	0	0	
38	381.5 Plant Sewers	0	0	0	100.00%	0	0	0	
39	389.5 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0	
40	RECLAIMED WATER DISTRIBUTION PLANT								
41	352.6 Franchises	0	0	0	100.00%	0	0	0	
42	353.6 Land & Land Rights	0	0	0	100.00%	0	0	0	
43	354.6 Structures & Improvements	0	0	0	100.00%	0	0	0	
44	355.6 Power Generation Equipment	0	0	0	100.00%	0	0	0	
45	366.6 Reuse Services	0	0	0	100.00%	0	0	0	
46	367.6 Reuse Meters & Meter Installations	0	0	0	100.00%	0	0	0	
47	371.6 Pumping Equipment	14	0	14	100.00%	14	0	0	
48	375.6 Reuse Transmission & Distr. Sys.	0	0	0	100.00%	0	0	0	
49	389.6 Other Plant & Misc. Equipment	0	0	0	100.00%	0	0	0	
50	GENERAL PLANT								
51	353.7 Land & Land Rights	0	0	0	100.00%	0	0	0	
52	354.7 Structures & Improvements	13	150	163	100.00%	163	0	0	
53	390.7 Office Furniture & Equipment	0	0	0	100.00%	0	0	0	
54	390.71 Computer Equipment	0	8,746	8,746	100.00%	8,746	1,323	1,323	
55	391.7 Transportation Equipment	0	0	0	100.00%	0	0	0	
56	392.7 Stores Equipment	0	0	0	100.00%	0	0	0	
57	393.7 Tools, Shop & Garage Equipment	0	25	25	100.00%	25	0	0	
58	394.7 Laboratory Equipment	174	0	174	100.00%	174	0	0	
59	395.7 Power Operated Equipment	0	0	0	100.00%	0	0	0	
60	396.7 Communication Equipment	0	0	0	100.00%	0	0	0	
61	397.7 Miscellaneous Equipment	29	0	29	100.00%	29	0	0	
62	398.7 Other Tangible Plant	0	0	0	100.00%	0	0	0	
63	TOTAL DEPRECIATION EXPENSE	38,717	9,219	47,936		47,936	1,323	1,323	
64	Composite U&U Rate				100.00%				
65	(LESS) AMORTIZATION OF CIAC	(9,325)	9,301	(24)		(24)	0	0	
66	NET DEPRECIATION EXPENSE	29,392	18,520	47,912		47,912	1,323	1,323	

Taxes Other Than Income

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: B-15
 Page: 1 of 1
 Preparer: S Szczygiel

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

Line No.	(1) Description	(2) Regulatory Assessment Fees (RAFs) 4.50%	(3) Payroll Taxes 8.23%	(4) RE & Personal Property Tax on U&U 1.38%	(5) Other	(6) Total
Water						
1	Test Year Per Books	14,283	(2,493)	12,870		24,660
2						
3	Adjustments to Test Year (Explain)					
4	RAF on Adj'd Rev - RAF Per Books	(126)				(126)
5	Payroll & Property Tax Adjustments		5,231	(10,235)		(5,004)
6	Non-U&U Adjustment @ 0.00%			0		0
7	Total Test Year Adjustments	(126)	5,231	(10,235)	0	(5,130)
8	Adjusted Test Year	14,158	2,738	2,634	0	19,530
9						
10	Pro Forma Adjustments (Explain)					
11	Payroll Tax Adjustments		303			303
12	2007 Plant in Service Additions			617		617
13	Pro Forma Plant in Service Additions			4,233		4,233
14	Non-U&U Adjustment @ 0.00%			0		0
15	Total Pro Forma Adjustments	0	303	4,850	0	5,153
16	Adjusted Pro Forma	14,158	3,041	7,485	0	24,684
17						
18	RAFs Assoc. with Revenue Increase	14,014				14,014
19						
20	Total Pro Forma	28,172	3,041	7,485	0	38,698
Sewer						
21	Test Year Per Books	17,310	(2,167)	0		15,143
22						
23	Adjustments to Test Year (Explain)					
24	RAF on Adj'd Rev - RAF Per Books	(140)				(140)
25	Payroll & Property Tax Adjustments		5,111	10,235		15,347
26	Non-U&U Adjustment @ 0.00%			0		0
27	Total Test Year Adjustments	(140)	5,111	10,235	0	15,206
28	Adjusted Test Year	17,169	2,945	10,235	0	30,349
29						
30	Pro Forma Adjustments (Explain)					
31	Payroll Tax Adjustments		261			261
32	2007 Plant in Service Additions			3,445		3,445
33	Pro Forma Plant in Service Additions			262		262
34	Non-U&U Adjustment @ 0.00%			0		0
35	Total Pro Forma Adjustments	0	261	3,707	0	3,968
36	Adjusted Pro Forma	17,169	3,206	13,942	0	34,317
37						
38	RAFs Assoc. with Revenue Increase	5,786				5,786
39						
40	Total Pro Forma	22,956	3,206	13,942	0	40,103

Recap Schedules: B-1, B-2
 Payroll taxes: FICA=7.65, Fed & State Unemployment=0.41%

**Palm Terrace
TAX SCHEDULES**

<u>SCHEDULE TITLE</u>	<u>SCHEDULE NUMBER</u>	<u>PAGE NUMBER</u>
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State and Federal Income Tax Calculation	C-2	76
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Reconciliation of Total Income Tax Provision

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: C-1
 Page: 1 of 1
 Preparer: W Jerdon

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

	(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	Year End Per Books	Utility Adjustments	Year End Adjusted	Pro Forma Adjustments	Pro Forma	Supporting Schedules
Water							
1	Current Tax Expense	(41,442)	(26,604)	(68,045)	(17,629)	(85,675)	C-2
2	Deferred Income Tax Expense	0	(1,280)	(1,280)	0	(1,280)	C-5
3	ITC Realized This Year	0	0	0	0	0	C-7
4	ITC Amortization	0	0	0	0	0	C-7
5	Less: Parent Debt Adjustment	0	0	0	0	0	C-8
6	Total Income Tax Expense	(41,442)	(27,884)	(69,326)	(17,629)	(86,955)	
Sewer							
7	Current Tax Expense	49,674	(31,432)	18,242	(17,754)	488	C-2
8	Deferred Income Tax Expense	0	(6,316)	(6,316)	0	(6,316)	C-5
9	ITC Realized This Year	0	0	0	0	0	C-7
10	ITC Amortization	0	0	0	0	0	C-7
11	Less: Parent Debt Adjustment	0	0	0	0	0	C-8
12	Total Income Tax Expense	49,674	(37,748)	11,926	(17,754)	(5,828)	

Recap Schedules: B-1, B-2

State and Federal Income Tax Calculation - Current

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Schedule: C-2

Page: 1 of 1

Preparer: W Jerdon

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

Line No.	(1) Description	(4) Water				(6) Pro Forma Adjusted	(9) Sewer					(12) Supporting Schedules
		(2) Year End Per Books	(3) Utility Adjustments	(4) Year End Adjusted	(5) Pro Forma Adjustments		(7) Year End Per Books	(8) Utility Adjustments	(9) Year End Adjusted	(10) Pro Forma Adjustments	(11) Pro Forma Adjusted	
1	Taxable Operating Income before Interest	(107,432)	(65,308)	(172,739)	(39,845)	(212,584)	128,773	(79,076)	49,696	(44,914)	4,783	B-1, B-2
2	Less: Interest Charges	0	(6,977)	(6,977)	(5,857)	(12,834)	0	(18,779)	(18,779)	(1,111)	(19,891)	C-3
3												
4	Taxable Income	(107,432)	(72,285)	(179,717)	(45,701)	(225,418)	128,773	(97,856)	30,917	(46,025)	(15,108)	
5												
6	Schedule M Adjustments											
7	Permanent Differences	-	0	0	0	0	-	0	0	0	0	C-4
8	Timing Differences	-	(3,319)	(3,319)	0	(3,319)	-	(16,373)	(16,373)	0	(16,373)	C-5
9	Total Schedule M Adjustments	0	(3,319)	(3,319)	0	(3,319)	0	(16,373)	(16,373)	0	(16,373)	
10												
11	Taxable Income Before State Taxes	(107,432)	(68,966)	(176,398)	(45,701)	(222,099)	128,773	(81,482)	47,290	(46,025)	1,265	
12												
13	State Tax Rate	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	
14	State Income Taxes	(5,909)	(3,793)	(9,702)	(2,514)	(12,215)	7,083	(4,482)	2,601	(2,531)	70	
15												
16	Federal Taxable Income	(101,523)	(65,173)	(166,696)	(43,188)	(209,884)	121,690	(77,001)	44,689	(43,494)	1,196	
17												
18	Federal Tax Rate	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	
19	Federal Income Taxes	(35,533)	(22,810)	(58,344)	(15,116)	(73,459)	42,592	(26,950)	15,641	(15,223)	419	
20												
21	Less: Investment Tax Credit Realized This Year	0	0	0	0	0	0	0	0	0	0	C-7
22												
23	Current Federal Income Taxes	(35,533)	(22,810)	(58,344)	(15,116)	(73,459)	42,592	(26,950)	15,641	(15,223)	419	
24												
25	Summary:											
26	Current State Income Tax	(5,909)	(3,793)	(9,702)	(2,514)	(12,215)	7,083	(4,482)	2,601	(2,531)	70	
27	Current Federal Income Tax	(35,533)	(22,810)	(58,344)	(15,116)	(73,459)	42,592	(26,950)	15,641	(15,223)	419	
28												
29	Total Current Income Tax Expense (To C-1)	(41,442)	(26,604)	(68,045)	(17,629)	(85,675)	49,674	(31,432)	18,242	(17,754)	488	

Schedule of Interest in Tax Expense Calculation

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Schedule: C-3

Page: 1 of 2

Preparer: W Jerdon

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

Line No.	(1) Description	(2)		(3)	(4)	Note*	(5)		(6)	(7)	(8) Supporting Schedules
		2007	2007	Water	2007		2007	2007	2007	Sewer	
		Per Books	Adjustments		Adjusted		Per Books	Adjustments	Adjusted		
1	Interest on Long-Term Debt	0	6,615		6,615	Note*	0	18,466	18,466	Note*	
2	Amortization of Debt Premium, Discount and Expense Net	0	0		0		0	0	0		
3	Interest on Short-Term Debt	0	0		0	Note*	0	0	0	Note*	
4	Other Interest Expense	0	362		362		0	313	313		
5	Less: AFUDC	0	0		0		0	0	0		
6	ITC Interest Synchronization	0	0		0		0	0	0		C-7
7	Total Used For Tax Calculation	0	6,977		6,977		0	18,779	18,779		

Calculation of ITC Interest Synchronization Adjustment ONLY for Option 2 Companies (see Sch. C-7)											
		Water					Sewer				
Balances From Sch. D-1	Amount	Ratio	Cost	Total Weighted Cost	Debt Only Weighted Cost	Amount	Ratio	Cost	Total Weighted Cost	Debt Only Weighted Cost	
8 Long-Term Debt											
9 Short-Term Debt											
10 Preferred Stock											
11 Common Equity											
12 Total											
13 ITC (from D-1, Line 7)											
14 Weighted Debt Cost (From Line 12)											
15 Interest Adjustment (To Line 6)											

* Note: Calculations for utility adjusted interest:

	Water		Sewer	
Rate Base (Sch. A-1, A-2)		355,020		984,258
Weighted Cost of Long Term Debt (D-1)	1.86%	6,615	1.88%	18,466
Weighted Cost of Short Term Debt (D-1)	0.00%	0	0.00%	0
Adjusted Interest on Debt		6,615		18,466

Schedule of Interest in Tax Expense Calculation

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Pro Forma
 Historical [] Projected [X]

Schedule: C-3
 Page: 2 of 2
 Preparer: W Jerdon

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

Line No.	(1) Description	(2) (3) (4)			(5) (6) (7)			(8) Supporting Schedules
		Water			Sewer			
		2007 Adjusted	Pro Forma Adjustments	Pro Forma Adjusted	2007 Adjusted	Pro Forma Adjustments	Pro Forma Adjusted	
1	Interest on Long-Term Debt	6,615	5,857	12,472	18,466	1,111	19,578	Note*
2	Amortization of Debt Premium, Discount and Expense Net	0	0	0	0	0	0	
3	Interest on Short-Term Debt	0	(0)	0	0	(0)	0	Note*
4	Other Interest Expense	362	0	362	313	0	313	
5	Less: AFUDC	0	0	0	0	0	0	
6	ITC Interest Synchronization	0	0	0	0	0	0	C-7
7	Total Used For Tax Calculation	<u>6,977</u>	<u>5,857</u>	<u>12,834</u>	<u>18,779</u>	<u>1,111</u>	<u>19,891</u>	

Calculation of ITC Interest Synchronization Adjustment ONLY for Option 2 Companies (see Sch. C-7)											
	Water					Sewer					
	Balances From Sch. D-1	Amount	Ratio	Cost	Total Weighted Cost	Debt Only Weighted Cost	Amount	Ratio	Cost	Total Weighted Cost	Debt Only Weighted Cost
8	Long-Term Debt										
9	Short-Term Debt										
10	Preferred Stock										
11	Common Equity										
12	Total										
13	ITC (from D-1, Line 7)										
14	Weighted Debt Cost (From Line 12)										
15	Interest Adjustment (To Line 6)										

* Note: Calculations for utility adjusted interest:

	Water	Sewer
Rate Base (Sch. A-1, A-2)	659,513	1,042,042
Weighted Cost of Long Term Debt (D-1)	1.89% 12,472	1.88% 19,578
Weighted Cost of Short Term Debt (D-1)	0.00% 0	0.00% 0
Adjusted Interest on Debt	12,472	19,578

Book/Tax Differences - Permanent

Florida Public Service Commission

Palm Terrace

Schedule: C-4

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: W Jerdon

Explanation: Provide the description and amount of all book/tax differences accounted for as permanent differences. This would include any items accounted for on a flow through basis.

Line No.	(1) Description	(2) Amount
WATER		
1		
2	None	
3		
4	Total	<u>0</u>
SEWER		
5		
6	None	
7		
8	Total	<u>0</u>

Deferred Income Tax Expense

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007
 Historical [X] Projected []

Schedule: C-5
 Page: 1 of 1
 Preparer: W Jerdon

Explanation: Provide the calculation of total deferred income tax expense for the test year. Provide detail on items resulting in tax deferrals other than accelerated depreciation.

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			Water			Sewer			Supporting Schedules
		Per Books	Adjustments	Adjusted	Per Books	Adjustments	Adjusted		
1	Timing Differences (Tax Expense								
2	Higher (Lower) than Book Expense):								
3	Tax Depreciation & Amortization	5,741	7,524	13,264	29,392	3,629	33,020		
4	Book Depreciation & Amortization	5,741	10,542	16,283	29,392	18,520	47,912	B-13,14	
5									
6	Depreciation Difference	0	(3,019)	(3,019)	0	(14,891)	(14,891)		
7									
8	Other Timing Differences (Itemize):								
9	Bad Debt	0	(300)	(300)	0	(1,482)	(1,482)		
10	All Other	0	0	0	0	0	0		
11									
12	Total Timing Differences (To C-2)	0	(3,319)	(3,319)	0	(16,373)	(16,373)		
13									
14	State Tax Rate	5.5%		5.5%	5.5%		5.5%		
15	State Deferred Taxes	0	(183)	(183)	0	(901)	(901)		
16									
17	Timing Differences for Federal Taxes	0	(3,137)	(3,137)	0	(15,473)	(15,473)		
18									
19	Federal Tax Rate	35.0%		35.0%	35.0%		35.0%		
20	Federal Deferred Taxes	0	(1,098)	(1,098)	0	(5,415)	(5,415)		
21									
22	Total Deferred Taxes (to C-1)	0	(1,280)	(1,280)	0	(6,316)	(6,316)		

Recap Schedules: C-1, C-2

Accumulated Deferred Income Taxes - Summary

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: C-6
 Page: 1 of 3
 Preparer: W Jerdon

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

Line No.	(1) Year	(2) Account No. 283 Deferred Tax Liability			(5) Account No. ____			(8) Net Deferred Income Taxes		
		(3) State	(3) Federal	(4) Total	(5) State	(6) Federal	(7) Total	(8) State	(9) Federal	(10) Total
WATER										
1	2003	0	5,063	5,063				0	5,063	5,063
2	2004	15	0	15				15	0	15
3	2005	1,172	17	1,189				1,172	17	1,189
4	2006	816	4,887	5,703				816	4,887	5,703
5	2007	632	3,790	4,422				632	3,790	4,422
SEWER										
6	2003	0	18,996	18,996				0	18,996	18,996
7	2004	32	0	32				32	0	32
8	2005	2,550	37	2,587				2,550	37	2,587
9	2006	3,168	18,988	22,156				3,168	18,988	22,156
10	2007	2,265	13,571	15,836				2,265	13,571	15,836

Accumulated Deferred Income Taxes - State

Florida Public Service Commission

Palm Terrace

Schedule: C-6

Docket No. 080121-WS

Page: 2 of 3

Historical Test Year Ending December 31, 2007

Preparer: W Jerdon

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.

	(1)	(2)	(3)	(4)
	Account No. 28306			
	Deferred State Tax Liability			
Line No.	Year	Beginning Balance	Current Year Change	Ending Balance
WATER				
1	2003	0	0	0
2	2004	0	15	15
3	2005	15	1,157	1,172
4	2006	1,172	(356)	816
5	2007	816	(184)	632
SEWER				
6	2003	0	0	0
7	2004	0	32	32
8	2005	32	2,518	2,550
9	2006	2,550	618	3,168
10	2007	3,168	(903)	2,265

Accumulated Deferred Income Taxes - Federal

Florida Public Service Commission

Palm Terrace

Schedule: C-6

Docket No. 080121-WS

Page: 3 of 3

Historical Test Year Ending December 31, 2007

Preparer: W Jordon

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.

	(1)	(2)	(3)	(4)
	Account No. 28305			
	Deferred Federal Tax Liability			
Line No.	Year	Beginning Balance	Current Year Change	Ending Balance
WATER				
1	2003	0	5,063	5,063
2	2004	5,063	(5,063)	0
3	2005	0	17	17
4	2006	17	4,870	4,887
5	2007	4,887	(1,097)	3,790
SEWER				
6	2003	0	18,996	18,996
7	2004	18,996	(18,996)	0
8	2005	0	37	37
9	2006	37	18,951	18,988
10	2007	18,988	(5,417)	13,571

Investment Tax Credits - Analysis

Florida Public Service Commission

Palm Terrace

Schedule: C-7

Docket No. 080121-WS

Page: 1 of 4

Historical Test Year Ending December 31, 2007

Preparer: W Jerdon

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

Line No.	(1) Year	(2) Beginning Balance	(3) - (6) 3% ITC				(7) Ending Balance	(8)	(9) - (12) 4% ITC				(13) Ending Balance
			Amount Realized		Amortization				Amount Realized		Amortization		
			(3) Current Year	(4) Prior Year Adjust.	(5) Current Year	(6) Prior Year Adjust.		(9) Current Year	(10) Prior Year Adjust.	(11) Current Year	(12) Prior Year Adjust.		
1		NONE											

Investment Tax Credits - Analysis

Florida Public Service Commission

Palm Terrace

Schedule: C-7

Docket No. 080121-WS

Page: 2 of 4

Historical Test Year Ending December 31, 2007

Preparer: W Jerdon

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

Line No.	(1) Year	8% ITC					(7) Ending Balance	10% ITC					(13) Ending Balance
		(2) Beginning Balance	Amount Realized		Amortization			(8) Beginning Balance	Amount Realized		Amortization		
			(3) Current Year	(4) Prior Year Adjust.	(5) Current Year	(6) Prior Year Adjust.			(9) Current Year	(10) Prior Year Adjust.	(11) Current Year	(12) Prior Year Adjust.	
1	NONE						NONE						

Investment Tax Credits - Company Policies**Florida Public Service Commission****Palm Terrace**

Schedule: C-7

Docket No. 080121-WS

Page: 3 of 4

Historical Test Year Ending December 31, 2007

Preparer: W Jerdon

Explanation: Explain accounting policy as to method of amortization for both progress payment and other ITC. Explanation should include at least a description of how the time period for amortization is determined, when it begins, under what circumstances it changes, etc. If there are unused ITC, supply a schedule showing year generated, amount generated, total amount used and remaining unused portion.

NONE

Investment Tax Credits - Section 46(f) Election**Florida Public Service Commission****Palm Terrace****Docket No. 080121-WS**

Historical Test Year Ending December 31, 2007

Schedule: C-7

Page: 4 of 4

Preparer: W Jerdon

Explanation: Provide a copy of the election made under Section 46(f), Internal Revenue Code.

NONE

Parent's Debt Information

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: C-8

Page: 1 of 1

Preparer: S Anzaldo

Explanation: Provide the information required to adjust income tax expense by the interest expense of the parent that may be invested in the equity of the applicant. If a year-end rate base is used, provide on both a year-end and an average basis. Amounts should be **parent only**.

Line No.	(1) Description	(2) Average Amount	(3) % of Total	(4) Cost Rate	(5) Weighted Cost	(6) Supporting Schedules
1	Long-Term Debt					
2	Short-Term Debt					
3	Preferred Stock					
4	Common Equity (State Retained Earnings Separately - Parent Only)					
5	Deferred Income Tax					
6	Other-Retained Earnings					
7	Total					
		0			0	

Parent Debt Adjustment Calculation

8	Weighted Cost of Parent's Debt (Line 1 & 2, col. 5)	0				From
9	Effective consolidated tax rate					B-1
10	Parent's Tax Deduction on Debt Interest	0				
	Water					
11	Equity of Subsidiary					D-1
12	Parent Debt Adjustment (to C-1) Allocation to subsidiary at	0				A-17
	Sewer					
13	Equity of Subsidiary					D-1
14	Parent Debt Adjustment (to C-1) (to C-1) Allocation to subsidiary at	0				A-17

Note

This system had no debt in the historical test year. However, the total rate base is funded by a 0.3769 Debt - 0.6231 Equity capital structure (the capital structure of the parent) with consideration made for Customer Deposits and Deferred Taxes. See Schedule D-1

Income Tax Returns**Florida Public Service Commission****Palm Terrace****Docket No. 080121-WS**

Historical Test Year Ending December 31, 2007

Schedule: C-9

Page: 1 of 1

Preparer: W Jerdon

Explanation: Provide a copy of the most recently filed federal income tax return, state income tax return and most recent final IRS revenue agent's report for the applicant or consolidated entity (whichever type of return is filed). A statement of when and where the returns and reports are available for review may be provided in lieu of providing the returns and reports.

Federal and State Income Tax Returns are available at the company's office location at
762 West Lancaster Ave, Bryn Mawr, PA 19010

Miscellaneous Tax Information**Florida Public Service Commission****Palm Terrace**

Schedule: C-10

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: W Jerdon

Explanation: Provide answers to the following questions with respect to the applicant or its consolidated entity.

- | | |
|---|------------------------|
| (1) What tax years are open with the Internal Revenue Service? | 2004, 2005, 2006, 2007 |
| (2) Is the treatment of customer deposits at issue with the IRS? | No |
| (3) Is the treatment of contributions in aid of construction at issue with the IRS? | No |
| (4) Is the treatment of unbilled revenue at issue with the IRS? | No |

**Palm Terrace
CAPITAL SCHEDULES**

<u>SCHEDULE TITLE</u>	<u>SCHEDULE NUMBER</u>	<u>PAGE NUMBER</u>
Requested Cost of Capital	D-1	93
Reconciliation to Rate Base	D-2	95
Preferred Stock	D-3	96
Short-Term Debt	D-4	97
Long-Term Debt	D-5	98
Variable Debt	D-6	100
Customer Deposits	D-7	102

Schedule of Requested Cost of Capital

13 Month Average balance

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Florida Public Service Commission

Schedule: D-1

Page: 1 of 2

Preparer: S Anzaldo

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.

Line No.	(1) Class of Capital	(2) Reconciled To 2007 Rate Base	(3) Ratio	(4) Cost Rate	(5) Weighted Cost Rate	(6) Cost	(7) Supporting Schedules
WATER							
1	Long-Term Debt	129,636	36.52%	5.10%	1.86%	6,615	D-2, D-5
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	214,284	60.36%	10.25%	6.19%	21,958	D-2
5	Customer Deposits	6,037	1.70%	6.00%	0.10%	362	D-2
6	Accumulated Deferred Income Taxes	5,063	1.43%	0.00%	0.00%	0	D-2
7	Total	<u>355,020</u>	<u>100.00%</u>		<u>8.15%</u>	<u>28,936</u>	
SEWER							
8	Long-Term Debt	361,877	36.77%	5.10%	1.88%	18,466	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	598,168	60.77%	10.25%	6.23%	61,296	D-2
12	Customer Deposits	5,218	0.53%	6.00%	0.03%	313	D-2
13	Accumulated Deferred Income Taxes	18,996	1.93%	0.00%	0.00%	0	D-2
14	Total	<u>984,258</u>	<u>100.00%</u>		<u>8.14%</u>	<u>80,076</u>	

Schedule of Requested Cost of Capital

13 Month Average balance

Palm Terrace

Docket No. 080121-WS

Pro Forma

Historical [] Projected [X]

Florida Public Service Commission

Schedule: D-1

Page: 2 of 2

Preparer: S Anzaldo

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)
Line No.	Class of Capital	Reconciled To Pro Forma Rate Base	Ratio	Cost Rate	Weighted Cost Rate	Supporting Schedules
WATER						
1	Long-Term Debt	244,411	37.06%	5.10%	1.89%	D-2
2	Short-Term Debt	0	0.00%	0.00%	0.00%	D-2
3	Preferred Stock	0	0.00%	0.00%	0.00%	D-2
4	Common Stock	404,002	61.26%	10.25%	6.28%	D-2
5	Customer Deposits	6,037	0.92%	6.00%	0.05%	D-2
6	Accumulated Deferred Income Taxes	5,063	0.77%	0.00%	0.00%	D-2
7	Total	<u>659,513</u>	<u>100.00%</u>		<u>8.22%</u>	<u>54,234</u>
SEWER						
8	Long-Term Debt	383,657	36.82%	5.10%	1.88%	D-2
9	Short-Term Debt	0	0.00%	0.00%	0.00%	D-2
10	Preferred Stock	0	0.00%	0.00%	0.00%	D-2
11	Common Stock	634,171	60.86%	10.25%	6.24%	D-2
12	Customer Deposits	5,218	0.50%	6.00%	0.03%	D-2
13	Accumulated Deferred Income Taxes	18,996	1.82%	0.00%	0.00%	D-2
14	Total	<u>1,042,042</u>	<u>100.00%</u>		<u>8.15%</u>	<u>84,876</u>

Reconciliation of Capital Structure to Requested Rate Base

Florida Public Service Commission

13 Month Average Balance

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Schedule: D-2

Page: 1 of 1

Preparer: S Anzaldo

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No. Class of Capital	Balance 12/31/2006	Balance 12/31/2007	13 Mo Average†	Reconciliation Adjustments Pro rata *	Reconciled To 2007 Rate Base	Reconciled To Pro Forma Rate Base	Supporting Schedules
Water							
1 Long-Term Debt	105,312	133,597	129,636		129,636	244,411	D-5
2 Short-Term Debt	0	0	0		0	0	D-4
3 Preferred Stock	0	0	0		0	0	D-3
4 Common Stock	174,076	220,831	214,284		214,284	404,002	
5 Customer Deposits	5,578	6,622	6,037		6,037	6,037	D-7
6 Accumulated Deferred Income Taxes	5,703	4,422	5,063		5,063	5,063	C-6
7 Total	<u>290,669</u>	<u>365,472</u>	<u>355,020</u>	<u>0</u>	<u>355,020</u>	<u>659,513</u>	A-1
Sewer							
8 Long-Term Debt	320,288	437,762	361,877		361,877	383,657	D-5
9 Short-Term Debt	0	0	0		0	0	D-4
10 Preferred Stock	0	0	0		0	0	D-3
11 Common Stock	529,424	723,603	598,168		598,168	634,171	
12 Customer Deposits	4,821	5,723	5,218		5,218	5,218	D-7
13 Accumulated Deferred Income Taxes	22,156	15,836	18,996		18,996	18,996	C-6
14 Total	<u>876,690</u>	<u>1,182,923</u>	<u>984,258</u>	<u>0</u>	<u>984,258</u>	<u>1,042,042</u>	A-2

† The 13 month averages shown in column (4) above include used & useful adjustments as shown on Schedule A-1.

* List corresponding adjustments to rate base below:

This system had no debt in the historical test year. However, the total rate base is funded by a 0.3769 Debt - 0.6231 Equity capital structure (the capital structure of the parent) with consideration made for Customer Deposits and Deferred Taxes. See Schedule D-1

Cost of Short-Term Debt

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: D-4
 Page: 1 of 1
 Preparer: S Anzaldo

Utility [X] or Parent [X]

Explanation: Provide the following information on a 13 month average basis. If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information for the parent level.

Line No.	Lender	(1) Total Interest Expense	(2) Maturity Date	(3) Average Amt Outstanding	(4) Effective Cost Rate	(5) Supporting Schedule(s)
1	There is no Short Term Debt for this subsidiary nor its parent					
2						
3						
4						
5						
6						
7						
8	Total	<u>0</u>			<u>0.00%</u>	

Cost of Long-Term Debt

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: D-5

Page: 1 of 2

Preparer: S Anzaldo

Utility or Parent

Explanation: Provide the specified data on long-term debt issues on a 13 month average basis for the test year. Arrange by type of issue (e.g., first mortgage bonds). If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information on the parent level.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line No.	Description, Coupon Rate, Years of Life	Issue Date - Maturity Date	Principal Amt. Sold (Face Value)	Principal Amount Outstanding	Amount Outstanding Within One Year	Unamortized Disc.(Premium) Associated With Col (4)	Unamortized Issuing Exp. Associated with Col (4)	Annual Amort. of Discount (Prem) on Principal Outst.	Annual Amort. of Issuing Exp. on Principal Outstanding	Interest Cost (Coupon Rate) x Col(4)	Total Interest Cost (8)+(9)+(10)	Effective Cost Rate (11)/(12)

1

All Long Term Debt is issued and held by the parent

Cost of Long-Term Debt

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: D-5

Page: 2 of 2

Preparer: S Anzaldo

Utility [] or Parent [X]

Explanation: Provide the specified data on long-term debt issues on a 13 month average basis for the test year. Arrange by type of issue (e.g., first mortgage bonds). If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information on the parent level.

Line No.	Description, Years of Life, Coupon Rate	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
														Principal Amt. Sold (Face Value)
2006														
1	Unsecured Note - 10 years	6.00%	10/31/2006	10/31/2016	20,501,000	20,501,000	-	-	-	-	-	1,230,060	1,230,060	6.00%
2														
3														
4														
2007														
5	Unsecured Note - 7 years	4.87%	07/31/2003	07/31/2010	27,000,000	3,135,582	-	-	-	-	-	152,703	152,703	4.87%
6	Unsecured Note - 10 years	4.87%	07/31/2003	07/31/2013	21,800,000	2,508,465	-	-	-	-	-	122,162	122,162	4.87%
7	Unsecured Note - 11 years	4.87%	07/31/2003	07/31/2014	27,000,000	3,135,582	-	-	-	-	-	152,703	152,703	4.87%
8	Unsecured Note - 13 years	4.87%	07/31/2003	07/31/2016	10,800,000	1,254,233	-	-	-	-	-	61,081	61,081	4.87%
9	Unsecured Note - 14 years	4.87%	07/31/2003	07/31/2017	10,800,000	1,254,233	-	-	-	-	-	61,081	61,081	4.87%
10	Unsecured Note - 15 years	4.87%	07/31/2003	07/31/2018	10,800,000	1,254,233	-	-	-	-	-	61,081	61,081	4.87%
11	Unsecured Note - 17 years	4.87%	07/31/2003	07/31/2020	16,200,000	1,881,349	-	-	-	-	-	91,622	91,622	4.87%
12	Unsecured Note - 20 years	4.87%	07/31/2003	07/31/2023	10,800,000	1,254,233	-	-	-	-	-	61,081	61,081	4.87%
13	Unsecured Note - 10 years	5.01%	02/03/2005	02/03/2015	18,000,000	2,090,388	-	-	-	-	-	104,728	104,728	5.01%
14	Unsecured Note - 15 years	5.20%	02/03/2005	02/03/2020	12,000,000	1,393,592	-	-	-	-	-	72,467	72,467	5.20%
15	Unsecured Note - 15 years	5.63%	02/28/2007	02/28/2022	15,000,000	1,741,990	-	-	-	-	-	98,074	98,074	5.63%
16	Unsecured Note - 30 years	5.83%	02/28/2007	02/28/2037	15,000,000	1,741,990	-	-	-	-	-	101,558	101,558	5.83%
17	Unsecured Note - 12 years	5.54%	12/27/2006	12/27/2018	30,000,000	3,490,254	-	-	-	-	-	193,360	193,360	5.54%
18	2007 12 Month Total					26,136,124						1,333,702	1,333,702	5.10%
19														
20	13 Month Average (from A-19)					22,517,338								

* The interest expense calculated on this schedule represents a full year of interest. The actual interest expense incurred by the company for 2006 was:

\$208,427

** The interest expense calculated on this schedule represents a full year of interest. The actual interest expense incurred by the company for 2007 was:

\$1,293,801

All long-term debt is issued and held by the parent

Cost of Variable Rate Long-Term Debt

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: D-6
 Page: 1 of 2
 Preparer: S Anzaldo

Utility or Parent

Explanation: Provide the specified data on variable cost long-term debt issues on a 13 month average basis. If the utility is an operating division or subsidiary, submit an additional schedule which reflects the same information for the parent level.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
Line No.	Description, Coupon Rate, Years of Life	Issue Date - Maturity Date	Principal Amt. Sold (Face Value)	Principal Amount Outstanding	Amount Outstanding Within One Year	Unamortized Disc. (Premium) Associated With Col (4)	Unamortized Issuing Exp. Associated with Col (4)	Annual Amort. of Discount (Prem) on Principal Outst.	Annual Amort. of Issuing Exp. on Principal Outstanding	Basis of Variable Rate (e.g. Prime+%)	Interest Cost (Test Year Cost Rate X Col. (4))	Total Interest Cost ((8)+(9)+(10))	Effective Cost Rate ((12)-(6)-(7))

1 All Long Term Debt is issued and held by the parent

Cost of Variable Rate Long-Term Debt

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: D-6

Page: 2 of 2

Preparer: S Anzaldo

Utility [] or Parent [X]

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line No.	Description, Coupon Rate, Years of Life	Issue Date - Maturity Date	Principal Amt. Sold (Face Value)	Principal Amount Outstanding	Amount Outstanding Within One Year	Unamortized Disc. (Premium) Associated With Col (4)	Unamortized Issuing Exp. Associated with Col (4)	Annual Amort. of Discount (Prem) on Principal Outst.	Annual Amort. of Issuing Exp. on Principal Outstanding	Basis of Variable Rate (e.g., Prime+%)	Interest Cost (Test Year Cost Rate X Col. (4))	Total Interest Cost ((8)+(9)+(10))	Effective Cost Rate (12)/(13)

1

The parent does not have any Variable Rate Long term debt

Schedule of Customer Deposits

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: D-7
 Page: 1 of 1
 Preparer: S Anzaldo

Utility [X] or Parent []

Explanation: Provide a schedule of customer deposits on a 13 month average basis.

Line No.	(1) Month & Year	(2) Beginning Balance	(3) Deposits Received	(4) Deposits Refunded	Ending Balance (2+3+4)
1	Dec-06	10,249	150	0	10,399
2	Jan-07	10,399	50	0	10,449
3	Feb-07	10,449	210	0	10,659
4	Mar-07	10,659	190	0	10,849
5	Apr-07	10,849	160	0	11,009
6	May-07	11,009	140	0	11,149
7	Jun-07	11,149	80	(140)	11,089
8	Jul-07	11,089	70	0	11,159
9	Aug-07	11,159	260	0	11,419
10	Sep-07	11,419	210	0	11,629
11	Oct-07	11,629	330	0	11,959
12	Nov-07	11,959	240	0	12,199
13	Dec-07	12,199	145	0	12,344
14	Average				<u>11,255</u>
15					
16			Water Allocated at	54%	<u>6,037</u>
17					
18			Sewer Allocated at	46%	<u>5,218</u>

**Palm Terrace
RATES SCHEDULES**

<u>SCHEDULE TITLE</u>	<u>SCHEDULE NUMBER</u>	<u>PAGE NUMBER</u>
Rate Schedule - Water	E-1w	105
Rate Schedule - Sewer	E-1s	106
Revenues at Present & Proposed Rates - Water	E-2w	107
Revenues at Present & Proposed Rates - Sewer	E-2s	111
Customer Monthly Billing Schedules	E-3	115
Miscellaneous Service Charges	E-4	116
Miscellaneous Service Charge Revenue	E-5	118
Public Fire Hydrants Schedule	E-6	119
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Contracts and Agreements	E-8	121
Tax or Franchise Fee	E-9	122
Service Availability Charges	E-10	123
Guaranteed Revenues Received	E-11	124
Class A Utility Cost of Service Study	E-12	125
Billing Analysis	E-14	126

Rate Schedule - Water

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Water [X] or Sewer []

Schedule: E-1w

Page: 1 of 1

Preparer: T Rendell

Explanation: Provide a schedule of present rates and proposed rates.

Line No.	(1) Class/Meter Size	(2) Test Year Period 1	(3) Test Year Period 2	(4) Period 3 & Prior to Filing	(5) Unlimited Interim Rates	(6) Limited Interim Rates	(7) Proposed Consolidated Rates
1	Residential						
2	5/8" X 3/4"	10.63	14.04	10.63	15.93	15.93	21.92
3	3/4"	15.94	21.04	15.94	23.89	23.89	32.89
4	1"	26.60	35.12	26.60	39.87	39.87	54.81
5	1-1/2"	53.17	70.21	53.17	79.70	79.70	109.62
6	2"	85.08	112.34	85.08	127.53	127.53	175.39
7	3"	170.15	224.67	170.15	255.04	255.04	350.79
8	4"	265.87	351.05	265.87	398.51	398.51	548.10
9	6"	531.75	702.12	531.75	797.03	797.03	1,096.21
10	8"	850.79	1,123.39	850.79	1,275.24	1,275.24	1,753.93
11	10"	1,223.02	1,614.87	1,223.02	1,833.17	1,833.17	2,521.28
12	Gallonge						
13	Block 1, 0-5,000	2.95	3.89	2.95	4.42	4.42	3.80
14	Block 2, 5,000-10,000	2.95	3.89	2.95	4.42	4.42	4.76
15	Block 3, >10,000	2.95	3.89	2.95	4.42	4.42	4.76
16							
17	Commercial						
18	5/8" X 3/4"	10.63	14.04	10.63	15.93	15.93	21.92
19	3/4"	15.94	21.04	15.94	23.89	23.89	32.89
20	1"	26.60	35.12	26.60	39.87	39.87	54.81
21	1-1/2"	53.17	70.21	53.17	79.70	79.70	109.62
22	2"	85.08	112.34	85.08	127.53	127.53	175.39
23	3"	170.15	224.67	170.15	255.04	255.04	350.79
24	4"	265.87	351.05	265.87	398.51	398.51	548.10
25	6"	531.75	702.12	531.75	797.03	797.03	1,096.21
26	8"	850.79	1,123.39	850.79	1,275.24	1,275.24	1,753.93
27	10"	1,223.02	1,614.87	1,223.02	1,833.17	1,833.17	2,521.28
28	Gallonge charge	2.95	3.89	2.95	4.42	4.42	3.80
29							
30							
31							
32	Multi-Family						
33	5/8" X 3/4"	10.63	14.04	10.63	15.93	15.93	21.92
34	3/4"	15.94	21.04	15.94	23.89	23.89	32.89
35	1"	26.60	35.12	26.60	39.87	39.87	54.81
36	1-1/2"	53.17	70.21	53.17	79.70	79.70	109.62
37	2"	85.08	112.34	85.08	127.53	127.53	175.39
38	3"	170.15	224.67	170.15	255.04	255.04	350.79
39	4"	265.87	351.05	265.87	398.51	398.51	548.10
40	6"	531.75	702.12	531.75	797.03	797.03	1,096.21
41	8"	850.79	1,123.39	850.79	1,275.24	1,275.24	1,753.93
42	10"	1,223.02	1,614.87	1,223.02	1,833.17	1,833.17	2,521.28
43	Gallonge charge	2.95	3.89	2.95	4.42	4.42	3.80
44							
45	Fire Protection						
46	2"	7.09	9.36	7.09	10.63	10.63	14.62
47	3"	14.18	18.72	14.18	21.25	21.25	29.23
48	4"	22.16	29.26	22.16	33.22	33.22	45.68
49	6"	44.30	58.49	44.30	66.40	66.40	91.35
50	8"	70.90	93.62	70.90	106.27	106.27	146.16
51	10"	101.92	134.57	101.92	152.77	152.77	210.11

Rate Schedule - Sewer

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Water [] or Sewer [X]

Schedule: E-1s

Page: 1 of 1

Preparer: T Rendell

Explanation: Provide a schedule of present rates and proposed rates.

Line No.	(1) Class/Meter Size	(2) Test Year Period 1	(3) Test Year Period 2	(4) Period 3 & Prior to Filing	(5) Unlimited Interim Rates	(6) Limited Interim Rates	(7) Proposed Consolidated Rates
1	Residential						
2	All Meter Sizes	19.05	26.91	19.05	38.88	38.88	45.26
3				-			
4				-			
5				-			
6				-			
7				-			
8				-			
9				-			
10				-			
11				-			
12	Gallage cap (gallons)	6,000	6,000	6,000	6,000	6,000	6,000
13	Gallage Charge, Capped Usage	4.18	5.90	4.18	8.53	8.53	8.73
14							
15							
16	Commercial						
17	5/8" X 3/4"	19.05	26.91	19.05	38.88	38.88	45.26
18	3/4"	28.58	40.36	28.58	58.32	58.32	67.89
19	1"	47.62	67.25	47.62	97.18	97.18	113.14
20	1-1/2"	95.24	134.51	95.24	194.35	194.35	226.29
21	2"	152.38	215.22	152.38	310.96	310.96	362.06
22	3"	304.74	430.41	304.74	621.88	621.88	724.12
23	4"	476.17	672.53	476.17	971.71	971.71	1,131.44
24	6"	952.33	1,345.07	952.33	1,943.41	1,943.41	2,262.89
25	8"	1,523.73	2,152.09	1,523.73	3,109.45	3,109.45	3,620.62
26	10"	2,190.34	3,093.62	2,190.34	4,469.79	4,469.79	5,204.65
27	Gallage charge	4.99	7.05	4.99	10.18	10.18	10.48
28							
29	Multi-Family						
30	5/8" X 3/4"	19.05	-	19.05	38.88	38.88	45.26
31	3/4"	28.58	-	28.58	58.32	58.32	67.89
32	1"	47.62	-	47.62	97.18	97.18	113.14
33	1-1/2"	95.24	-	95.24	194.35	194.35	226.29
34	2"	152.38	-	152.38	310.96	310.96	362.06
35	3"	304.74	-	304.74	621.88	621.88	724.12
36	4"	476.17	-	476.17	971.71	971.71	1,131.44
37	6"	952.33	-	952.33	1,943.41	1,943.41	2,262.89
38	8"	1,523.73	-	1,523.73	3,109.45	3,109.45	3,620.62
39	10"	2,190.34	-	2,190.34	4,469.79	4,469.79	5,204.65
40	Gallage charge	4.99	-	4.99	10.18	10.18	10.48
41							
42	Flat Rate						
43	Resid'l Wastewater Only (RWO)	32.36	45.71	32.36	66.04	66.04	112.65
44	Com'l. Wastewater Only	32.36	45.71	32.36	66.04	66.04	701.21
45	Reuse per Sprinkler Head	-	-	-	-	-	-
46	Reuse Flat Rate	-	-	-	-	-	-

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Water [X] or Sewer []

Schedule: E-2w

Page: 1 of 4

Preparer: G Prettyman

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) Number Bills	(3) Consumption in 1,000 gal.	(4) Effctv. Test Year Rate	(5) Test Year Revenue	(6) Rate Prior to Filing	(7) Repressed Gallons	(8) Proposed Rate	(9) Revenue at Proposed
1	Residential								
2	5/8" X 3/4"	12,192	59,577	10.63	129,601	10.63	NA	21.92	267,249
3	3/4"	0	0	-	0	15.94	NA	32.89	0
4	1"	0	0	-	0	26.60	NA	54.81	0
5	1-1/2"	0	0	-	0	53.17	NA	109.62	0
6	2"	0	0	-	0	85.08	NA	175.39	0
7	3"	0	0	-	0	170.15	NA	350.79	0
8	4"	0	0	-	0	265.87	NA	548.10	0
9	Gallorage								
10	Block 1, 0-5,000		40,141	2.95	118,415	2.95	40,141	3.80	152,534
11	Block 2, 5,000-10,000		10,555	2.95	31,136	2.95	9,429	4.76	44,880
12	Block 3, >10,000		8,881	2.95	26,200	2.95	7,934	4.76	37,764
13	Total Residential	<u>12,192</u>	<u>59,577</u>		<u>305,352</u>		<u>57,503</u>		<u>502,427</u>
14	Average Bill				25.05				41.21
15									
16	Commercial								
17	5/8" X 3/4"	36	96	10.63	383	10.63	NA	21.92	789
18	3/4"	0	0	-	0	15.94	NA	32.89	0
19	1"	0	0	-	0	26.60	NA	54.81	0
20	1-1/2"	0	0	-	0	53.17	NA	109.62	0
21	2"	12	1,038	85.08	1,021	85.08	NA	175.39	2,105
22	3"	0	0	-	0	170.15	NA	350.79	0
23	4"	0	0	-	0	265.87	NA	548.10	0
24	8"	0	0	-	0	850.79	NA	1,753.93	0
25	Gallorage		1,134	2.95	3,345	2.95	1,134	3.80	4,309
26									
27									
28	Total Commercial	<u>48</u>	<u>1,134</u>		<u>4,749</u>		<u>1,134</u>		<u>7,203</u>
29	Average Bill				98.94				150.06
30									
31	Multi-Family								
32	5/8" X 3/4"	0	0	-	0	10.63	NA	21.92	0
33	3/4"	0	0	-	0	15.94	NA	32.89	0
34	1"	0	0	-	0	26.60	NA	54.81	0
35	1-1/2"	0	0	-	0	53.17	NA	109.62	0
36	2"	0	0	-	0	85.08	NA	175.39	0
37	3"	0	0	-	0	170.15	NA	350.79	0
38	4"	0	0	-	0	265.87	NA	548.10	0
39									
40	Gallorage		0	-	0	2.95	0	3.80	0
41									
42									
43	Total Multi- Family	<u>0</u>	<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
44	Average Bill				-				-
45									
46	Fire Protection								
47	2"	0	NA	-	0	7.09	NA	8.86	0
48	3"	0	NA	-	0	14.18	NA	17.73	0
49	4"	0	NA	-	0	22.16	NA	27.70	0
50	6"	0	NA	-	0	44.30	NA	55.39	0
51	8"	0	NA	-	0	70.90	NA	88.62	0
52	10"	0	NA	-	0	101.92	NA	127.40	0
53									
54									
55									
56	Total Fire Protection	<u>0</u>	<u>NA</u>		<u>0</u>		<u>NA</u>		<u>0</u>
57	Average Bill				-				-
58									
59	Subtotal				<u>310,101</u>				<u>509,630</u>
60	Unbilled Revenues				-				-
61	Guaranteed Revenues				-				-
62	Misc. Service Charge				4,515				13,650
63	Total Revenue				<u>314,616</u>				<u>523,280</u>
64	Booked Revenue				<u>317,409</u>				<u>523,280</u>
65	Difference				(2,793)	-0.9%			

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Schedule Period: 1/1/07 - 4/30/07 (pre-Interim Rates)

Water [X] or Sewer []

Schedule: E-2w

Page: 2 of 4

Preparer: G Prettyman

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) Number Bills	(3) Consumption in 1,000 gal.	(4) Period 1 Rates	(5) Period 1 Revenue
1	Residential				
2	5/8" X 3/4"	4,213	18,885	10.63	44,784
3	3/4"	0	0	15.94	0
4	1"	0	0	26.60	0
5	1-1/2"	0	0	53.17	0
6	2"	0	0	85.08	0
7	3"	0	0	170.15	0
8	4"	0	0	265.87	0
9	Gallorage				
10	Block 1		13,799	2.95	40,708
11	Block 2		3,279	2.95	9,672
12	Block 3		1,807	2.95	5,330
13	Total Residential	<u>4,213</u>	<u>18,885</u>		<u>100,494</u>
14	Average Bill				<u>23.85</u>
15					
16	Commercial				
17	5/8" X 3/4"	12	37	10.63	128
18	3/4"	0	0	15.94	0
19	1"	0	0	26.60	0
20	1-1/2"	0	0	53.17	0
21	2"	4	438	85.08	340
22	3"	0	0	170.15	0
23	4"	0	0	265.87	0
24	8"	0	0	850.79	0
25	Gallorage		476	2.95	1,403
26					
27					
28	Total Commercial	<u>16</u>	<u>476</u>		<u>1,871</u>
29	Average Bill				<u>116.93</u>
30					
31	Multi-Family				
32	5/8" X 3/4"	0	0	10.63	0
33	3/4"	0	0	15.94	0
34	1"	0	0	26.60	0
35	1-1/2"	0	0	53.17	0
36	2"	0	0	85.08	0
37	3"	0	0	170.15	0
38	4"	0	0	265.87	0
39					
40	Gallorage		0	2.95	0
41					
42					
43	Total Multi-Family	<u>0</u>	<u>0</u>		<u>0</u>
44	Average Bill				<u>-</u>
45					
46	Fire Protection				
47	1"	0	NA	7.09	0
48	2"	0	NA	14.18	0
49	3"	0	NA	22.16	0
50	4"	0	NA	44.30	0
51	6"	0	NA	70.90	0
52	8"	0	NA	101.92	0
53					
54					
55					
56	Total Fire Protection	<u>0</u>	<u>NA</u>		<u>0</u>
57	Average Bill				<u>-</u>
58					
59	Subtotal				<u>102,365</u>

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Schedule Period: 5/1/07 - 8/31/07 (Interim Rates)
 Water [X] or Sewer []

Schedule: E-2w
 Page: 3 of 4
 Preparer: G Prettyman

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) Number Bills	(3) Consumption in 1,000 gal.	(4) Period 1 Rates	(5) Revenue at Per 1 Rates	(6) Period 2 Rates	(7) Period 2 Billed Rev.	(8) Period 2 Refunds
1	Residential							
2	5/8" X 3/4"	3,845	19,262	10.63	40,872	14.04	53,984	13,111
3	3/4"	0	0	15.94	0	21.04	0	0
4	1"	0	0	26.60	0	35.12	0	0
5	1-1/2"	0	0	53.17	0	70.21	0	0
6	2"	0	0	85.08	0	112.34	0	0
7	3"	0	0	170.15	0	224.67	0	0
8	4"	0	0	265.87	0	351.05	0	0
9	Gallorage							
10	Block 1		12,945	2.95	38,187	3.89	50,355	12,168
11	Block 2		3,576	2.95	10,550	3.89	13,912	3,362
12	Block 3		2,741	2.95	8,084	3.89	10,661	2,576
13	Total Residential	<u>3,845</u>	<u>19,262</u>		<u>97,694</u>		<u>128,911</u>	<u>31,217</u>
14	Average Bill				<u>25.41</u>		<u>33.53</u>	
15								
16	Commercial							
17	5/8" X 3/4"	12	32	10.63	128	14.04	168	41
18	3/4"	0	0	15.94	0	21.04	0	0
19	1"	0	0	26.60	0	35.12	0	0
20	1-1/2"	0	0	53.17	0	70.21	0	0
21	2"	4	491	85.08	340	112.34	449	109
22	3"	0	0	170.15	0	224.67	0	0
23	4"	0	0	265.87	0	351.05	0	0
24	8"	0	0	850.79	0	1,123.39	0	0
25	Gallorage		524	2.95	1,545	3.89	2,037	492
26								
27								
28	Total Commercial	<u>16</u>	<u>524</u>		<u>2,013</u>		<u>2,655</u>	<u>642</u>
29	Average Bill				<u>125.78</u>		<u>165.92</u>	
30								
31	Multi-Family							
32	5/8" X 3/4"	0	0	10.63	0	14.04	0	0
33	3/4"	0	0	15.94	0	21.04	0	0
34	1"	0	0	26.60	0	35.12	0	0
35	1-1/2"	0	0	53.17	0	70.21	0	0
36	2"	0	0	85.08	0	112.34	0	0
37	3"	0	0	170.15	0	224.67	0	0
38	4"	0	0	265.87	0	351.05	0	0
39								
40	Gallorage		0	2.95	0	3.89	0	0
41								
42								
43	Total Multi-Family	<u>0</u>	<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>
44	Average Bill							
45								
46	Fire Protection							
47	1"	0	NA	7.09	0	9.36	0	0
48	2"	0	NA	14.18	0	18.72	0	0
49	3"	0	NA	22.16	0	29.26	0	0
50	4"	0	NA	44.30	0	58.49	0	0
51	6"	0	NA	70.90	0	93.62	0	0
52	8"	0	NA	101.92	0	134.57	0	0
53								
54								
55								
56	Total Fire Protection	<u>0</u>	<u>NA</u>		<u>0</u>		<u>0</u>	<u>0</u>
57	Average Bill							
58								
59	Subtotal				<u>99,707</u>		<u>131,566</u>	<u>31,859</u>

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Schedule Period: 9/1/07 - 12/31/07 (post-Interim Rates)

Water [X] or Sewer []

Schedule: E-2w

Page: 4 of 4

Preparer: G Prettyman

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) Number Bills	(3) Consumption in 1,000 gal.	(4) Period 3 Rates	(5) Period 3 Revenue
1	Residential				
2	5/8" X 3/4"	4,134	21,430	10.63	43,944
3	3/4"	0	0	15.94	0
4	1"	0	0	26.60	0
5	1-1/2"	0	0	53.17	0
6	2"	0	0	85.08	0
7	3"	0	0	170.15	0
8	4"	0	0	265.87	0
9	Gallonage				
10	Block 1		13,396	2.95	39,519
11	Block 2		3,700	2.95	10,914
12	Block 3		4,334	2.95	12,785
13	Total Residential	4,134	21,430		107,164
14	Average Bill				25.92
15					
16	Commerical				
17	5/8" X 3/4"	12	27	10.63	128
18	3/4"	0	0	15.94	0
19	1"	0	0	26.60	0
20	1-1/2"	0	0	53.17	0
21	2"	4	108	85.08	340
22	3"	0	0	170.15	0
23	4"	0	0	265.87	0
24	8"	0	0	850.79	0
25	Gallonage		135	2.95	398
26					
27					
28	Total Commercial	16	135		866
29	Average Bill				54.10
30					
31	Multi-Family				
32	5/8" X 3/4"	0	0	10.63	0
33	3/4"	0	0	15.94	0
34	1"	0	0	26.60	0
35	1-1/2"	0	0	53.17	0
36	2"	0	0	85.08	0
37	3"	0	0	170.15	0
38	4"	0	0	265.87	0
39					
40	Gallonage		0	2.95	0
41					
42					
43	Total Multi- Family	0	0		0
44	Average Bill				-
45					
46	Fire Protection				
47	1"	0	NA	7.09	0
48	2"	0	NA	14.18	0
49	3"	0	NA	22.16	0
50	4"	0	NA	44.30	0
51	6"	0	NA	70.90	0
52	8"	0	NA	101.92	0
53					
54					
55					
56	Total Fire Protection	0	NA		0
57	Average Bill				-
58					
59	Subtotal				108,029

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Water [] or Sewer [X]

Schedule: E-2s

Page: 1 of 4

Preparer: G Prettyman

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) Number Bills	(3) Usage in 1,000 gal.	(4) Effctv. Test Year Rate	(5) Test Year Revenue	(6) Rate Prior to Filing	(7) Proposed Usage	(8) Proposed Rate	(9) Revenue at Proposed
1	Residential								
2	5/8" X 3/4"	10,644	54,014	19.05	202,768	19.05		45.26	481,747
3	3/4"	0	0	-	0	19.05		45.26	0
4	1"	0	0	-	0	19.05		45.26	0
5	1-1/2"	0	0	-	0	19.05		45.26	0
6	2"	0	0	-	0	19.05		45.26	0
7	3"	0	0	-	0	19.05		45.26	0
8	4"	0	0	-	0	19.05		45.26	0
9	Gallage cap (gallons)		6,000				6,000		
10	Capped Usage	-	42,700	4.18	178,487	4.18	42,700	8.73	372,773
11	Usage Above Cap	-	11,314				11,314		
12									
13	Total Residential	10,644	54,014		381,255		54,014		854,520
14	Average Bill				35.82				80.28
15									
16	Commercial								
17	5/8" X 3/4"	12	11	19.05	229	19.05		45.26	543
18	3/4"	0	0	-	0	28.58		67.89	0
19	1"	0	0	-	0	47.62		113.14	0
20	1-1/2"	0	0	-	0	95.24		226.29	0
21	2"	0	0	-	0	152.38		362.06	0
22	3"	0	0	-	0	304.74		724.12	0
23	4"	0	0	-	0	476.17		1,131.44	0
24									
25	Gallage	-	11	4.99	53	4.99	11	10.48	111
26									
27									
28	Total Commercial	12	11		281		11		654
29	Average Bill				23.46				54.52
30									
31	Multi-Family								
32	5/8" X 3/4"	0	0	-	0	19.05		45.26	0
33	3/4"	0	0	-	0	28.58		67.89	0
34	1"	0	0	-	0	47.62		113.14	0
35	1-1/2"	0	0	-	0	95.24		226.29	0
36	2"	0	0	-	0	152.38		362.06	0
37	3"	0	0	-	0	304.74		724.12	0
38	4"	0	0	-	0	476.17		1,131.44	0
39									
40	Gallage	-	0	-	0	4.99	0	10.48	0
41									
42									
43	Total Multi-Family	0	0		0		0		0
44	Average Bill								
45									
46	Flat Rate								
47	Res. Wastewater Only	0	0	-	0	32.36		112.65	0
48	Coml. Wastewater Only	0	0	-	0	32.36		701.21	0
49	Sprinkler Heads	0	NA	-	0	-		-	0
50	Reuse	0	NA	-	0	-		-	0
51	Total Flat Rate - Other		0		0				0
52									
53									
54	Subtotal				381,537				855,174
55	Unbilled Revenues				0				0
56	Guaranteed Revenues				0				0
57	Misc. Service Charge				0				0
58	Total Revenue				381,537				855,174
59	Booked Revenue				384,667				
60	Difference				(3,130)	-0.8%			

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Schedule: E-2s

Schedule Period: 1/1/07 - 4/30/07 (pre-Interim)

Page: 2 of 4

Water [] or Sewer [X]

Preparer: G Prettyman

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) Number Bills	(3) Usage in 1,000 gal.	(4) Period 1 Rates	(5) Period 1 Revenue
1	Residential				
2	5/8" X 3/4"	3,645	17,717	19.05	69,437
3	3/4"	0	0	19.05	0
4	1"	0	0	19.05	0
5	1-1/2"	0	0	19.05	0
6	2"	0	0	19.05	0
7	3"	0	0	19.05	0
8	4"	0	0	19.05	0
9	Gallage cap		6,000		
10	Capped Usage		14,845	4.18	62,053
11	Usage Above Cap		2,872		
12					
13	Total Residential	3,645	17,717		131,491
14	Average Bill				36.07
15					
16	Commercial				
17	5/8" X 3/4"	4	9	19.05	76
18	3/4"	0	0	28.58	0
19	1"	0	0	47.62	0
20	1-1/2"	0	0	95.24	0
21	2"	0	0	152.38	0
22	3"	0	0	304.74	0
23	4"	0	0	476.17	0
24					
25	Gallage		9	4.99	42
26					
27					
28	Total Commercial	4	9		119
29	Average Bill				29.65
30					
31	Multi-Family				
32	5/8" X 3/4"	0	0	19.05	0
33	3/4"	0	0	28.58	0
34	1"	0	0	47.62	0
35	1-1/2"	0	0	95.24	0
36	2"	0	0	152.38	0
37	3"	0	0	304.74	0
38	4"	0	0	476.17	0
39					
40	Gallage		0	4.99	0
41					
42					
43	Total Multi-Family	0	0		0
44	Average Bill				-
45					
46	Flat Rate				
47	Res. Wastewater Only	0	0	32.36	0
48	Coml. Wastewater Only	0	0	32.36	0
49	Sprinkler Heads	0	NA	-	0
50	Reuse	0	NA	-	0
51	Total Flat Rate - Other		0		0
52					
53					
54	Subtotal				131,609

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Palm Terrace

Schedule: E-2s

Docket No. 080121-WS

Page: 3 of 4

Schedule Period: 5/1/07 - 8/31/07 (Interim)

Preparer: G Prettyman

Water [] or Sewer [X]

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) Number Bills	(3) Usage in 1,000 gal.	(4) Period 1 Rates	(5) Revenue at Per 1 Rates	(6) Period 2 Rates	(7) Period 2 Billed Rev.	(8) Period 2 Refunds
1	Residential							
2	5/8" X 3/4"	3,384	17,945	19.05	64,465	26.91	91,063	26,598
3	3/4"	0	0	19.05	0	26.91	0	0
4	1"	0	0	19.05	0	26.91	0	0
5	1-1/2"	0	0	19.05	0	26.91	0	0
6	2"	0	0	19.05	0	26.91	0	0
7	3"	0	0	19.05	0	26.91	0	0
8	4"	0	0	19.05	0	26.91	0	0
9	Gallorage cap		6,000					
10	Capped Usage		14,044	4.18	58,702	5.90	82,857	24,155
11	Usage Above Cap		3,901					
12								
13	Total Residential	<u>3,384</u>	<u>17,945</u>		<u>123,167</u>		<u>173,920</u>	<u>50,753</u>
14	Average Bill				<u>36.40</u>		<u>51.39</u>	
15								
16	Commercial							
17	5/8" X 3/4"	4	2	19.05	76	26.91	108	31
18	3/4"	0	0	28.58	0	40.36	0	0
19	1"	0	0	47.62	0	67.25	0	0
20	1-1/2"	0	0	95.24	0	134.51	0	0
21	2"	0	0	152.38	0	215.22	0	0
22	3"	0	0	304.74	0	430.41	0	0
23	4"	0	0	476.17	0	672.53	0	0
24								
25	Gallorage		2	4.99	10	7.05	15	4
26								
27								
28	Total Commercial	<u>4</u>	<u>2</u>		<u>87</u>		<u>122</u>	<u>36</u>
29	Average Bill				<u>21.67</u>		<u>30.61</u>	
30								
31	Multi-Family							
32	5/8" X 3/4"	0	0	19.05	0	0.00	0	0
33	3/4"	0	0	28.58	0	0.00	0	0
34	1"	0	0	47.62	0	0.00	0	0
35	1-1/2"	0	0	95.24	0	0.00	0	0
36	2"	0	0	152.38	0	0.00	0	0
37	3"	0	0	304.74	0	0.00	0	0
38	4"	0	0	476.17	0	0.00	0	0
39								
40	Gallorage		0	4.99	0	0.00	0	0
41								
42								
43	Total Multi-Family	<u>0</u>	<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>
44	Average Bill							
45								
46	Flat Rate							
47	Res. Wastewater Only	0	0	32.36	0	45.71	0	0
48	Cmrl. Wastewater Only	0	0		0		0	0
49	Sprinkler Heads	0	NA	-	0	0.00	0	0
50	Reuse	0	NA	-	0	0.00	0	0
51	Total Flat Rate - Other		<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>
52								
53								
54	Subtotal				<u>123,254</u>		<u>174,043</u>	<u>50,789</u>

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Palm Terrace

Schedule: E-2s

Docket No. 080121-WS

Page: 4 of 4

Schedule Period: 9/1/07 - 12/31/07 (post-Interim)

Preparer: G Prettyman

Water [] or Sewer [X]

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) Number Bills	(3) Consumption in 1,000 gal.	(4) Period 3 Rates	(5) Period 3 Revenue
1	Residential				
2	5/8" X 3/4"	3,615	18,352	19.05	68,866
3	3/4"	0	0	19.05	0
4	1"	0	0	19.05	0
5	1-1/2"	0	0	19.05	0
6	2"	0	0	19.05	0
7	3"	0	0	19.05	0
8	4"	0	0	19.05	0
9	Gallongage cap		6,000		
10	Capped Usage		13,811	4.18	57,732
11	Usage Above Cap		4,541		
12					
13	Total Residential	<u>3,615</u>	<u>18,352</u>		<u>126,597</u>
14	Average Bill				<u>35.02</u>
15					
16	Commerical				
17	5/8" X 3/4"	4	0	19.05	76
18	3/4"	0	0	28.58	0
19	1"	0	0	47.62	0
20	1-1/2"	0	0	95.24	0
21	2"	0	0	152.38	0
22	3"	0	0	304.74	0
23	4"	0	0	476.17	0
24					
25	Gallongage		0	4.99	0
26					
27					
28	Total Commercial	<u>4</u>	<u>0</u>		<u>76</u>
29	Average Bill				<u>19.05</u>
30					
31	Multi-Family				
32	5/8" X 3/4"	0	0	19.05	0
33	3/4"	0	0	28.58	0
34	1"	0	0	47.62	0
35	1-1/2"	0	0	95.24	0
36	2"	0	0	152.38	0
37	3"	0	0	304.74	0
38	4"	0	0	476.17	0
39					
40	Gallongage	-	0	4.99	0
41					
42					
43	Total Multi-Family	<u>0</u>	<u>0</u>		<u>0</u>
44	Average Bill				<u>-</u>
45					
46	Flat Rate				
47	Res. Wastewater Only	0	0	32.36	0
48	Cmrl. Wastewater Only	0	0		0
49	Sprinkler Heads	0	NA	-	0
50	Reuse	0	NA	-	0
51	Total Flat Rate - Other				<u>0</u>
52					
53					
54	Subtotal				<u>126,674</u>

Customer Monthly Billing Schedule

Florida Public Service Commission

Palm Terrace

Schedule: E-3

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: S Szczygiel

Explanation: Provide a schedule of monthly customers billed or served by class.

WATER

Line No.	(1) Month/ Year	(2) Residential	(3) General Service	(4) Multi-Family Dwelling	(5) Trailer	(6) Private Fire Protection	(7) Other (Irrigation)	(8) Total
1	Jan-07	1,121	4	0	0	0	0	1,125
2	Feb-07	1,127	4	0	0	0	0	1,131
3	Mar-07	1,123	4	0	0	0	0	1,127
4	Apr-07	1,121	4	0	0	0	0	1,125
5	May-07	1,120	4	0	0	0	0	1,124
6	Jun-07	1,121	4	0	0	0	0	1,125
7	Jul-07	1,121	4	0	0	0	0	1,125
8	Aug-07	1,115	4	0	0	0	0	1,119
9	Sep-07	1,114	4	0	0	0	0	1,118
10	Oct-07	1,092	4	0	0	0	0	1,096
11	Nov-07	1,097	4	0	0	0	0	1,101
12	Dec-07	1,102	4	0	0	0	0	1,106
13	Total Water	13,374	48	0	0	0	0	13,422

SEWER

Line No.	(1) Month/ Year	(2) Residential	(3) General Service	(4) Multi-Family Trailer	(5) Trailer	(6) Private Fire Protection	(7) Other (Irrigation)	(8) Total
14	Jan-07	977	1	0	0	0	0	978
15	Feb-07	982	1	0	0	0	0	983
16	Mar-07	979	1	0	0	0	0	980
17	Apr-07	975	1	0	0	0	0	976
18	May-07	975	1	0	0	0	0	976
19	Jun-07	976	1	0	0	0	0	977
20	Jul-07	976	1	0	0	0	0	977
21	Aug-07	969	1	0	0	0	0	970
22	Sep-07	968	1	0	0	0	0	969
23	Oct-07	948	1	0	0	0	0	949
24	Nov-07	955	1	0	0	0	0	956
25	Dec-07	956	1	0	0	0	0	957
26	Total Sewer	11,636	12	0	0	0	0	11,648

Miscellaneous Service Charges

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: E-4

Page: 1 of 2

Preparer: J Lihvarcik

Explanation: Provide a schedule of present and proposed miscellaneous service charges. If an increase is proposed (or new charges), provide a schedule of derivation of charges, unless the charges are pursuant to the latest Staff Advisory Bulletin #13.

WATER

Line No.	(1) Type Charge	(2)		(3)		(4)		(5)	
		Present Bus. Hrs.	Present After Hrs.	Present Bus. Hrs.	Present After Hrs.	Proposed Bus. Hrs.	Proposed After Hrs.	Proposed Bus. Hrs.	Proposed After Hrs.
1	Initial Connection	15.00	-			50.00		75.00	
2									
3	Normal Reconnect	15.00	-			50.00		75.00	
4									
5	Violation Reconnect	15.00	-			75.00		115.00	
6									
7	Premises Visit	10.00	-			50.00		75.00	
8									
9	Late Payment Fees	-				5.00			
10									

SEWER

Line No.	(1) Type Charge	(2)		(3)		(4)		(5)	
		Present Bus. Hrs.	Present After Hrs.	Present Bus. Hrs.	Present After Hrs.	Present Bus. Hrs.	Present After Hrs.	Proposed Bus. Hrs.	Proposed After Hrs.
11	Initial Connection	15.00	-			50.00		75.00	
12									
13	Normal Reconnect	15.00	-			50.00		75.00	
14									
15	Violation Reconnect	At Cost	-			Actual cost		Actual cost	
16									
17	Premises Visit	10.00	-			50.00		75.00	
18									
19	Late Payment Fees	-				5.00			
20									
21									
22	DEPOSITS (REFUNDABLE)								
				Water		Sewer			
23	Class	Meter Size	Present	Proposed	Present	Proposed			
24	not specified	All sizes	10.00		10.00				
25	not specified	5/8 X 3/4"	-		-				
26	not specified	1"	-		-				
27	not specified	1.5"	-		-				
28	not specified	Over 2"	-		-				
29									
30	Residential	All sizes	-		-				
31	Residential	5/8 X 3/4"	-	82.42	-	160.56			
32	Residential	1"	-	Two x Estimated Monthly Bill	-	Two x Estimated Monthly Bill			
33	Residential	1.5"	-		-				
34	Residential	Over 2"	-		-				
35									
36	General	All sizes	-	Two x est'd monthly Bill	-	Two x est'd monthly Bill			
37	General	5/8 X 3/4"	-		-				
38	General	1"	-		-				
39	General	1.5"	-		-				
40	General	2"	-		-				
41	General	4"	-		-				
42	General	8"	-		-				

Miscellaneous Service Charges

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Explanation: Provide a schedule of derivation of charges

Schedule: E-4
Page: 2 of 2
Preparer: J Lihvarcik

Line No.	(1) Description	(2)	(3) Annual Pay	(4) Base	(5)	(6) Hourly Rate	(7)	(8)	(9)
1	Field Employee								
2	Sr. Facility Operator		62,491.88						
3	Utility Tech Coordinator		39,832.42						
4	Utility Tech I		26,902.50						
5	Utility Tech I		25,038.91						
6	Utility Tech I		25,681.60						
7	Utility Tech I		17,400.00						
8	Utility Tech II		26,571.48						
9	Utility Tech II		25,601.00						
10	Utility Tech II		26,700.00						
11	Utility Tech II		24,914.00	Hours/Year					
12	Field Employees Average Base		<u>30,113.38</u>	2,080		<u>14.48</u>			
13				Rate					
14	P/R Overhead			30.0%		4.34			
15	Field/Office Overhead			10.0%		1.45			
16	Field Employees Loaded Cost					<u>20.27</u>			
17									
18	Office Employee								
19	Administrative Assistant		29,537.19						
20	Administrative Assistant		36,468.07						
21	New Business Coordinator		47,362.58						
22	Office Clerk		23,493.54						
23	Operations Support Coordinator		55,941.12	Hours/Year					
24	Office Employees Average Salary		<u>38,560.50</u>	2,080		<u>18.54</u>			
25				Rate					
26	P/R Overhead			30.0%		5.56			
27	Field/Office Overhead			15.0%		2.78			
28	Office Employees Loaded Cost					<u>26.88</u>			
29									
30	Calculation of Miscellaneous Service Charges								
31		Description	# Hours	Hourly Rate	Labor Cost	Other Cost	Total Cost	Proposed Fee	
32	Collect Delinquent Account								
33	(CSR takes average 1 hour to process the delinquent account work.)								
34	Office		1	26.88	26.88	-	<u>26.88</u>	<u>25.00</u>	
35									
36	Connections, Premises Visits / Service Calls in Normal Hours								
37	(Technician to respond, evaluate, fix and complete service order takes average 1.5 hours. Customer service takes average 45 minutes to handle call, prepare work order, and close out work order when technician completes work.)								
38									
39	Field		1.5	20.27	30.40	-	30.40		
40	Office		0.75	26.88	20.16	-	20.16		
41	Total				<u>50.56</u>	-	<u>50.56</u>	<u>50.00</u>	
42									
43	Connections, Premises Visits / Service Calls After Hours								
44	= 1.5 X Connections in Normal Hours above				75.85	-	<u>75.85</u>	<u>75.00</u>	
45									
46	Reconnect Disconnected Service in Normal Hours								
47	(= Collect Del. Acct + Connections in Normal Hours above)				77.44	-	<u>77.44</u>	<u>75.00</u>	
48									
49	Reconnect Disconnected Service After Hours								
50	(1.5 X Sum of Reconnection and Collection Delinquent Account. During this period an answering service receives customer calls and dispatches to our FSRs on call.)								
51									
52	= 1.5 X Reconnect in Normal Hours above				116.17	-	116.17		
53	Answering Service Cost					2.00	2.00		
54	Total				<u>116.17</u>	<u>2.00</u>	<u>118.17</u>	<u>115.00</u>	
55									
56	Customer requested change of mailing address								
57	Office		0.12	26.88	3.23	-	<u>3.23</u>	<u>3.00</u>	

Miscellaneous Service Charge Revenue

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: E-5
 Page: 1 of 1
 Preparer: S Szczygiel

Explanation: Provide a schedule by month of test year miscellaneous charges received by type. Provide an additional schedule for proposed charges, if applicable. If a monthly schedule is not furnished, annual totals or by periods will be acceptable. If periods are not by-month, state what periods are used.

Line No.	(1) Month/ Year	(2) Initial Connection	(3) Normal Reconnect	(4) Violation Reconnect	(5) Premises Visit	(6) Other Charges	(7) Total
WATER							
1	Jan-07	225	0	0	0	80	305
2	Feb-07	330	195	0	0	40	565
3	Mar-07	120	105	0	0	60	285
4	Apr-07	180	60	0	0	20	260
5	May-07	105	0	0	0	40	145
6	Jun-07	90	75	0	0	80	245
7	Jul-07	135	90	0	0	60	285
8	Aug-07	450	105	0	0	60	615
9	Sep-07	300	120	0	0	60	480
10	Oct-07	315	195	0	0	20	530
11	Nov-07	450	0	0	0	80	530
12	Dec-07	270	0	0	0	0	270
13							
14	Total Water	2,970	945	0	0	600	4,515
15	Annual Events	198	63	0	0		
16							
17	Proposed Rate	50	50	75	50	5	
18	Proposed Revenue	9,900	3,150	0	0	600	13,650
SEWER							
19	Jan-07	0	0	0	0	0	0
20	Feb-07	0	0	0	0	0	0
21	Mar-07	0	0	0	0	0	0
22	Apr-07	0	0	0	0	0	0
23	May-07	0	0	0	0	0	0
24	Jun-07	0	0	0	0	0	0
25	Jul-07	0	0	0	0	0	0
26	Aug-07	0	0	0	0	0	0
27	Sep-07	0	0	0	0	0	0
28	Oct-07	0	0	0	0	0	0
29	Nov-07	0	0	0	0	0	0
30	Dec-07	0	0	0	0	0	0
31							
32	Total Sewer	0	0	0	0	0	0
33	Annual Events	0	0	0	0		
34							
35	Proposed Rate	50	50	Actual cost	50	5	
36	Proposed Revenue	0	0	0	0	0	0

Public Fire Hydrants Schedule**Florida Public Service Commission****Palm Terrace**

Schedule: E-6

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: J Lihvarcik

Water [X] or Sewer []

Explanation: Provide a schedule of public fire hydrants (including standpipes, etc.) by size. This schedule is not required for a sewer only rate application.

(1) Line No.	(2) Size	(3) Type	(4) Quantity
1	Any fire hydrant information is detailed on enclosed system maps		

Private Fire Protection Service

Florida Public Service Commission

Palm Terrace

Schedule: E-7

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: J Lihvarcik

Water [X] or Sewer []

Explanation: Provide a schedule of private fire protection service by size of connection.
This schedule is not required for a sewer only rate application.

(1) Line No.	(2) Size	(3) Type	(4) Quantity
-----------------	-------------	-------------	-----------------

1	Any fire hydrant information is detailed on enclosed system maps		
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Contracts and Agreements Schedule

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Schedule: E-8
Page: 1 of 1
Preparer: J Lihvarcik

Explanation: Provide a list of all outstanding contracts or agreements having rates or conditions different from those on approved tariffs. Describe with whom, the purpose and the elements of each contract shown.

<u>Line No.</u>	<u>(1) Type</u>	<u>(2) Description</u>
-----------------	---------------------	----------------------------

None

Tax or Franchise Fee Schedule

Florida Public Service Commission

Palm Terrace

Schedule: E-9

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: S Szczygiel

Explanation: Provide a schedule of state, municipal, city or county franchise taxes or fees paid (or payable).
State the type of agreement (i.e. contract, tax).

Line No.	(1) Type Tax or Fee	(2) To Whom Paid	(3) Amount	(4) How collected From Customers	(5) Type Agreement
WATER					
1	Regulatory Assessment Fee	Florida Public Service Comm.	14,283	Included in overall cost of service	None

SEWER

2	Regulatory Assessment Fee	Florida Public Service Comm.	17,310	Included in overall cost of service	None
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Service Availability Charges Schedule

Florida Public Service Commission

Palm Terrace

Schedule: E-10

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: J Lihvarcik

Explanation: Provide a schedule of present and proposed service availability charges.
 (See Rule 25-20.580, F.A.C.) If no change is proposed, then this schedule is not required.

Line No.	(1) Type Charge	(2) Size Unit	(3) Present Charges	(4) Proposed Charges
WATER				
1	Service Installation Charge	5/8"	143.00	1,000.00
2		3/4"	143.00	Actual Costs
3	(Service Line Size)	1"	154.00	Actual Costs
4		1 1/2"	202.00	Actual Costs
5		2"	245.00	Actual Costs
6		Over 2"	Actual Costs	Actual Costs
7				
8	Meter Installation Fee	5/8"	90.00	210.00
9	(Meter Size)	3/4"	110.00	Actual Costs
10		1"	140.00	Actual Costs
11		1 1/2"	300.00	Actual Costs
12		2"	385.00	Actual Costs
13		Over 2"	Actual Costs	Actual Costs
14				
15	Back Flow Preventor Installation Fee	All sizes	Actual Costs	Actual Costs
16				
17				
18				
19				
20				
21				
22	Plant Capacity Charge	ERC	700.00	700.00
23		Per Gallon Equivalent	-	2.75
24				
25	Main Extension Charge	ERC	446.00	446.00
26		Per Foot Equivalent	-	5.37
SEWER				
27	Service Installation Charge	=<4"		2,000.00
28		>4"		Actual Costs
29				
28				
29		4" unpaved	-	
30		4" paved	548.00	
31		6" unpaved	-	
32		6" paved	-	
33				
34	Plant Capacity Charge	ERC	1,300.00	1,300.00
35		Per Gallon Equivalent	7.59	7.60
36				
37	Main Extension Charge	ERC	480.00	480.00
38		Per Foot Equivalent	7.38	7.38
39				
40				
41				
42				
43				
44				

Guaranteed Revenues Received

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: E-11
 Page: 1 of 1
 Preparer: J Lihvarcik

Water [X] or Sewer [X]

Explanation: Provide copies of all guaranteed revenue contracts with a schedule of billing and receipts by month by class.

Line No.	(1) Month/ Year	(2) Residential	(3) General Service	(4) Other	(5) Total
1					
2					
3			N/A		
4					
5					
6					
7					
8					
9					
10					
11					
12					
	Total	0	0	0	0

Class A Utility Cost of Service Study

Florida Public Service Commission

Palm Terrace

Schedule: E-12

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: N/A

Water [X] or Sewer [X]

Explanation: All Class A utilities whose service classes include industrial customers, whose utilization exceeds an average of 350,000 GPD, shall provide a fully allocated class cost of service study showing customer, base (commodity), and extra capacity (demand) components under present and proposed rates. This study shall include rate of return by class and load (demand) research studies used in the cost allocation. The analysis shall be based upon the AWWA Manual No. 1 and shall comply with current AWWA procedures and standard industrial practices for utilities providing water and wastewater service.

Line

No.

Not applicable; no industrial customers.

Billing Analysis Schedules

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007
 Water [X] or Sewer [X]
 Customer Class:
 Meter Size:

Schedule: E-14
 Page: 1 of 1
 Preparer: G Prettyman

Explanation: Provide a billing analysis for each class of service by meter size. For applicants having master metered multiple dwellings, provide number of bills at each level by meter size or number of bills categorized by the number of units. Round consumption to nearest 1,000 gallons and begin at zero. If a rate change occurred during the test year, provide a separate billing analysis which coincides with each period.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Consumption Level	Number of Bills	Cumulative Bills	Gallons Consumed (1) X (2)	Cumulative Gallons	Reversed Bills	Consolidated Factor [(1)X(6)]+(5)	Percentage of Total

See attached Bill Analyses

**Palm Terrace
ENGINEERING SCHEDULES**

<u>SCHEDULE TITLE</u>	<u>SCHEDULE NUMBER</u>	<u>PAGE NUMBER</u>
Gallons of Water Pumped, Sold & Unaccounted For	F-1	129
Gallons of Wastewater Treated	F-2	130
Water Treatment Plant Data	F-3	131
Wastewater Treatment Plant Data	F-4	132
Used and Useful Calculations - Water Treatment Plant	F-5	133
Used and Useful Calculations - Sewer Treatment Plant	F-6	134
Used and Useful Calculation - Distribution & Collection Systems	F-7	135
Margin Reserve Calculations	F-8	136
Equivalent Residential Connections Calculation - Water	F-9	137
Equivalent Residential Connections Calculation - Sewer	F-10	138

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

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: F-1

Page: 1 of 1

Preparer: J Lihvarcik

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 DEP. The other uses may include plant use, flushing of hydrants and water and sewer lines, line breakages 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.

Line No.	Month	(1) Gallons Pumped	(2) Gallons Purchased	(3) Gallons Sold	(4) Other Uses	(5) Unaccounted For Water (1)+(2)-(3)-(4)	(6) % Unaccounted For Water
1	Jan-07	0	7,372	5,587	1,191	595	
2	Feb-07	0	5,282	4,003	1,377	(98)	
3	Mar-07	0	5,853	4,435	1,147	271	
4	Apr-07	0	7,041	5,336	468	1,238	
5	May-07	0	6,279	5,236	468	575	
6	Jun-07	0	6,764	5,641	480	643	
7	Jul-07	0	5,858	4,885	459	514	
8	Aug-07	0	4,825	4,024	489	312	
9	Sep-07	0	5,872	5,842	420	(390)	
10	Oct-07	0	5,572	5,543	430	(402)	
11	Nov-07	0	5,035	5,009	404	(378)	
12	Dec-07	0	5,197	5,170	400	(374)	
13	TOTAL	0	70,950	60,711	7,733	2,507	3.5%

**Gallons of Wastewater Treated & Unaccounted For
In Thousands of Gallons**

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Schedule: F-2
Page: 1 of 1
Preparer: J Lihvarcik

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 DEP.

Line No.	Month 2005	(1)	(2)	(3)	(4)	(5)	(6)
		STP#1	Individual Plant Flows (Name)	(Name)	(Name)	Total Plant Flows	Total Purch. Sewage Treatment
1	Jan	4,180	0	0	0	4,180	0
2	Feb	4,249	0	0	0	4,249	0
3	Mar	4,289	0	0	0	4,289	0
4	Apr	4,314	0	0	0	4,314	0
5	May	4,305	0	0	0	4,305	0
6	Jun	4,084	0	0	0	4,084	0
7	Jul	3,711	0	0	0	3,711	0
8	Aug	3,895	0	0	0	3,895	0
9	Sep	3,639	0	0	0	3,639	0
10	Oct	3,859	0	0	0	3,859	0
11	Nov	6,034	0	0	0	6,034	0
12	Dec	4,043	0	0	0	4,043	0
13	Total	50,602	0	0	0	50,602	0

Water Treatment Plant Data

Florida Public Service Commission

Palm Terrace
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: F-3
 Page: 1 of 1
 Preparer: J Lihvarcik

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 Protection.

Line No.	Description	Date	GPD																					
Inter-Connected																								
1	Plant Capacity: The hydraulic rated capacity. If different from that shown on the DEP operating or construction permit, provide an explanation.		0																					
2	Maximum Day: 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.	01/01/07	634,500																					
3	Five-Day Max Year: 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.	<table style="margin-left: 20px;"> <tr> <td>Day</td> <td></td> <td></td> </tr> <tr> <td>1</td> <td style="text-align: right;">01/01/07</td> <td style="text-align: right;">634,500</td> </tr> <tr> <td>2</td> <td style="text-align: right;">01/13/07</td> <td style="text-align: right;">216,000</td> </tr> <tr> <td>3</td> <td style="text-align: right;">01/14/07</td> <td style="text-align: right;">216,000</td> </tr> <tr> <td>4</td> <td style="text-align: right;">01/15/07</td> <td style="text-align: right;">216,000</td> </tr> <tr> <td>5</td> <td style="text-align: right;">01/20/07</td> <td style="text-align: right;">210,967</td> </tr> <tr> <td></td> <td style="text-align: right;">Average</td> <td style="text-align: right;"><u>298,693</u></td> </tr> </table>	Day			1	01/01/07	634,500	2	01/13/07	216,000	3	01/14/07	216,000	4	01/15/07	216,000	5	01/20/07	210,967		Average	<u>298,693</u>	
Day																								
1	01/01/07	634,500																						
2	01/13/07	216,000																						
3	01/14/07	216,000																						
4	01/15/07	216,000																						
5	01/20/07	210,967																						
	Average	<u>298,693</u>																						
4	Average Daily Flow		0																					
5	Required Fire Flow The standards will be those as set by the Insurance Service Organization or by a governmental agency ordinance. Provide documents to support this calculation.		0																					

Sewer Treatment Plant Data

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: F-4

Page: 1 of 1

Preparer: J Lihvarcik

Explanation: Provide the following information for each sewer treatment plant. If the system has sewer 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 Protection.

Line No.	Description	Month	GPD
1	Plant Capacity: The hydraulic rated capacity. If different from that shown on the DEP operating or construction permit, provide an explanation.		<u>130,000</u>
2	Average Daily Flow Max Month 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.	<u>April</u>	<u>114,000</u>

Used and Useful Calculations
Water Treatment Plant

Palm Terrace
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: F-5
Page: 1 of 1
Preparer: J Guastella

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the water treatment plant(s) for the historical test year and the projected test year (if applicable).

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
WELLS, Interim														
Line No.	Storage	Max Day (GPM)	Peak Hour, MD X 2 (GPM)	Excess Unaccounted for Water (GPM)	MD less Excess Unaccounted for Water (GPM)	PH less Excess Unaccounted for Water (GPM)	Interim Margin Reserve Ratio	Demand (GPM)	Maximum Supply Well (GPM)	Total Well Capacity (GPM)	Remaining Well Capacity (GPM)	Wells Interim U&U Calculated	Wells Interim U&U Used	
1	no	440.63	881.25	-	-	881.25	1.01	893.11	-	-	-	n/a	100.00%	

WELLS, Permanent

Line No.	Storage	Multiple Wells	Max Day (GPM)	Margin Reserve Ratio	Excess Unaccounted for Water (GPM)	Fire Flow (GPM)	Peak Hour Demand for Systems with No Storage (GPM)	Max Day Demand for Systems with Storage (GPD)	Maximum Supply Well (GPM)	Total Well Capacity (GPM)	Firm Reliable Capacity for Systems with No Storage (GPM)	Firm Reliable Capacity for Systems with Storage (GPD)	Wells Permanent U&U Calculated	Wells Permanent U&U Used *
2	no	no	440.63	1.01	-	-	893.11	-	-	-	-	-	0.00%	100.00%
3														
4														

5 * This system does not have its own source of supply. Therefore, assets are considered 100% Used and Useful.

STORAGE

Line No.	Average 5 Max Day Demand	Peak Hour A5MDD X 2	Reliable Storage	Interim Storage U&U Calculated	Interim Storage U&U Used	Bottom Drain	Max Day (GPD)	Margin Reserve Ratio	Excess Unaccounted for Water (GPD)	Fire Flow (GPD)	Peak Day Demand (GPD)	Usable Storage (Gal.)	Permanent Storage U&U Calculated	Permanent Storage U&U Used
6	298,693	597,386	-	na	100.00%	-	634,500	1.01	-	-	643,042	-	na	100.00%

Used and Useful Calculations
Sewer Treatment Plant

Florida Public Service Commission

Palm Terrace

Schedule: F-6
Page: 1 of 1
Preparer: J Guastella

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the sewer treatment plant(s) for the historical test year and the projected test year (if applicable).

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Line No.	Average Daily Demand (GPD)	Treated (GPD)	I&I%	Excess I&I (GPD)	Margin Reserve Ratio	Adjusted Average Daily Demand (GPD)	Plant Capacity (GPD)	Treatment U&U Calculated	Treatment U&U Used		
1	138,636	113,737	N/A	-	1.00	138,203	130,000	106.31%	100.00%		
2											

Inflow and Infiltration Calculations

	8" Gravity Sewer Ft	8" Gravity Sewer Inch Ft	6" Gravity Sewer	6" Gravity Sewer Inch Ft	Total Inch Ft	Total Inch Miles	Daily Allowance - 500 GPD / In Mile	Annual Acceptable Infiltration	Inflow @ 10% of Water Sold	Acceptable I&I	Gallons Sold - Sewer Customers
3	41,118	328,944	-	-	328,944	62.30	31,150	11,369,750	5,402,470	16,772,220	54,024,700
	Residential % of Gallons Sold	Residential Water Sold	Residential Estimated Return 80%	General Service Water Sold	General Service Estimated Return 96%	Acceptable Amount of Wastewater	Acceptable Wastewater and I&I	Treated Gal	Total Excess I&I	% of Excess I&I Calculated	% of Excess I&I Used
4	99.98%	54,014,100	43,211,280	10,600	10,176	43,221,456	59,993,676	50,600,000	(9,393,676)	N/A	N/A
5											

**Used and Useful Calculations
Water Distribution and Sewer Collection Systems**

Florida Public Service Commission

**Palm Terrace
Docket No. 080121-WS**

Schedule: F-7
Page: 1 of 1
Preparer: J Guastella

Historical Test Year Ending December 31, 2007

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the water distribution and wastewater collection systems for the historical test year and the projected test year (if applicable). The capacity should be in terms of ability to serve a designated number of connections. It should then be related to actual connected density for historical year calculations. Explain all assumptions for projected calculations. If the distribution and collection systems are entirely contributed or built-out, this schedule is not required.

Line No.	(1) ERCs 2012*	(2) Lots Fronting Mains	(3) U&U as Calculated	(4) Interim U&U Used	(5) Permanent U&U Used
Water					
1	1,204.0	1,202	na	100.00%	100.00%
Sewer					
2	910.5	1,047	86.96%	86.96%	100.00%

This system is fully developed as planned. Accordingly, all facilities and assets are considered 100% Used and Useful.

* 2012 Trended ERCs based on Consumption & Map Counts

Margin Reserve Calculations - Water & Sewer

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Schedule: F-8

Page: 1 of 1

Preparer: J Guastella

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

Calculation for Historical Test Year 2005 (interim rates) and Projected Test Year 2007 (permanent rates):
Linear regression analysis using average ERCs for the last five years and trended for the five years beyond test period(s).

Line No.	(1) Year	(2) Average Meters	(3) Average ERCs	(4) Trend	(5) Increase
WATER					
1	2003	1,188.5	1,188.5	1,190.8	
2	2004	1,193.8	1,197.3	1,194.1	
3	2005	1,190.8	1,197.8	1,197.3	
4	2006	1,192.1	1,199.1	1,200.6	
5	2007	1,196.9	1,203.9	1,203.8	
6	2008			1,207.1	0.27%
7	2009			1,210.4	0.27%
8	2010			1,213.6	0.27%
9	2011			1,216.9	0.27%
10	2012			1,220.1	0.27% 5 yrs beyond 2007
X Coefficient(s)				3.258	
SEWER					
11	2003	1,035.0	1,035.0	1,035.4	
12	2004	1,035.8	1,035.8	1,034.8	
13	2005	1,033.5	1,033.5	1,034.2	
14	2006	1,033.5	1,033.5	1,033.5	
15	2007	1,033.0	1,033.0	1,032.9	
16	2008			1,032.3	-0.06%
17	2009			1,031.6	-0.06%
18	2010			1,031.0	-0.06%
19	2011			1,030.4	-0.06%
20	2012			1,029.8	-0.06% 5 yrs beyond 2005
X Coefficient(s)				(0.625)	

Equivalent Residential Connections - Water

Florida Public Service Commission

Palm Terrace

Schedule: F-9

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: J Guastella

Explanation: Provide the following information in order to calculate the average growth in ERCs 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 Customers			SFR Gallons Sold	Gallons/SFR (5)/(4)	Total Gallons Sold	Total ERCs (7)/(6)	Annual % Incr. in ERCs
		Beginning	Ending	Average					
1	2003	1,173	1,176	1,174.5	60,036	51.116	62,866	1,229.9	
2	2004	1,176	1,159	1,167.5	64,560	55.298	67,076	1,213.0	-1.37%
3	2005	1,159	1,154	1,156.5	58,863	50.898	61,234	1,203.1	-0.82%
4	2006	1,154	1,125	1,139.5	71,061	62.362	73,456	1,177.9	-2.09%
5	2007	1,125	1,102	1,113.5	61,711	55.421	62,883	1,134.6	-3.67%
Average Growth Through 5-Year Period (Col. 8)									-1.99%

Equivalent Residential Connections - Sewer

Florida Public Service Commission

Palm Terrace
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Schedule: F-10
 Page: 1 of 1
 Preparer: J Guastella

Explanation: Provide the following information in order to calculate the average growth in ERCs 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) SFR Customers			(5)	(6)	(7)	(8)	(9)
	Year	Beginning	Ending	Average	SFR Gallons Treated	Gallons/SFR (5)/(4)	Total Gallons Treated	Total ERCs (7)/(6)	Annual % Incr. in ERCs
1	2003	1,020	1,020	1,020.0	41,505	40.691	41,505	1,020.0	
2	2004	1,020	1,011	1,015.5	41,513	40.879	41,523	1,015.7	-0.42%
3	2005	1,011	1,005	1,008.0	40,934	40.609	40,956	1,008.5	-0.71%
4	2006	1,005	978	991.5	44,855	45.240	44,876	992.0	-1.64%
5	2007	978	956	967.0	42,201	43.641	42,219	967.4	-2.48%
Average Growth Through 5-Year Period (Col. 8)									-1.31%

Palm Terrace
INTERIM RATE SCHEDULES
Revision 1

<u>SCHEDULE TITLE</u>	Revision 1 <u>SCHEDULE</u> <u>NUMBER</u>	<u>PAGE</u> <u>NUMBER</u>
Rate Schedule - Interim Rates	G-1	141
Schedule of Rate Base - Interim Rates	G-2	142
Schedule of Adjustments to Rate Base - Interim	G-3	143
Schedule of Net Operating Income - Interim	G-4	144
Schedule of Adjustments to Operating Income - Interim	G-5	145
Schedule of Requested Cost of Capital - Interim	G-6	146

Rate Schedule - Interim Rates

Florida Public Service Commission

Palm Terrace

Schedule: G-1

Docket No. 080121-WS

Page: 1 of 1

Historical Test Year Ending December 31, 2007

Preparer: T Rendell

Water [X] Sewer [X]

Explanation: Provide a schedule of present and proposed interim rates

Line No.	(1) Class/Meter Size	(2) Present Rates	(3) Unlimited Interim Rates	(4) Limited Interim Rates
WATER				
			49.9%	49.9%
1	Residential			
2	5/8" X 3/4"	10.63	15.93	15.93
3	3/4"	15.94	23.89	23.89
4	1"	26.60	39.87	39.87
5	1-1/2"	53.17	79.70	79.70
6	2"	85.08	127.53	127.53
7	3"	170.15	255.04	255.04
8	4"	265.87	398.51	398.51
9	6"	531.75	797.03	797.03
10	8"	850.79	1,275.24	1,275.24
11	10"	1,223.02	1,833.17	1,833.17
12	Gallorage, Block 1	2.95	4.42	4.42
13	Block 2	2.95	4.42	4.42
14	Block 3	2.95	4.42	4.42
15	General Service			
16	5/8" X 3/4"	10.63	15.93	15.93
17	3/4"	15.94	23.89	23.89
18	1"	26.60	39.87	39.87
19	1-1/2"	53.17	79.70	79.70
20	2"	85.08	127.53	127.53
21	3"	170.15	255.04	255.04
22	4"	265.87	398.51	398.51
23	6"	531.75	797.03	797.03
24	8"	850.79	1,275.24	1,275.24
25	10"	1,223.02	1,833.17	1,833.17
26	Gallorage charge	2.95	4.42	4.42
27	Fire Protection			
28	2"	7.09	10.63	10.63
29	3"	14.18	21.25	21.25
30	4"	22.16	33.22	33.22
31	6"	44.30	66.40	66.40
32	8"	70.90	106.27	106.27
33	10"	101.92	152.77	152.77

Class/Meter Size	(6) Present Rates	(7) Unlimited Interim Rates	(8) Limited Interim Rates
SEWER			
		104.1%	104.1%
Residential			
All Meter Sizes	19.05	38.88	38.88
3/4"	-	-	-
1"	-	-	-
1-1/2"	-	-	-
2"	-	-	-
3"	-	-	-
4"	-	-	-
6"	-	-	-
8"	-	-	-
10"	-	-	-
Gallorage cap (gallons)	6,000	6,000	6,000
Gallorage charge	4.18	8.53	8.53
General Service			
5/8" X 3/4"	19.05	38.88	38.88
3/4"	28.58	58.32	58.32
1"	47.62	97.18	97.18
1-1/2"	95.24	194.35	194.35
2"	152.38	310.96	310.96
3"	304.74	621.88	621.88
4"	476.17	971.71	971.71
6"	952.33	1,943.41	1,943.41
8"	1,523.73	3,109.45	3,109.45
10"	2,190.34	4,469.79	4,469.79
Gallorage charge	4.99	10.18	10.18
Flat Rate			
Res. Wastewater Only	32.36	66.04	66.04
Cmrl. Wastewater Only	32.36	66.04	66.04
Sprinkler Heads	-	-	-
Reuse	-	-	-

Supporting Schedules: G-4

Schedule of Rate Base - Interim Rates

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Schedule: G-2

Page: 1 of 1

Preparer: R Griffin/J Guastella

Explanation: Provide a schedule of the rate base used for Interim Rates

Line No.	(1) Description	(2) Adjusted Average Balance	(3) Adjustments for Non-U&U	(4) Adjustments Last Rate Case	(5) Interim Rate Base	(6) Supporting Schedule(s)
WATER						
1	Utility Plant in Service	342,448	0	0	342,448	A-5
2	Utility Land & Land Rights	23,477		0	23,477	A-5
3	Construction Work in Progress	0		0	0	A-1
4	Less: Accumulated Depreciation	(96,206)	0	0	(96,206)	A-9
5	Less: CIAC	(138,725)	0	0	(138,725)	A-12
6	Accumulated Amortization of CIAC	94,383	0	0	94,383	A-14
7	Acquisition Adjustments	0		0	0	A-1
8	Less: Accum. Amort. of Acq. Adjustments	0		0	0	A-1
9	Less: Advances For Construction	0		0	0	A-1
10	Working Capital Allowance	129,644		0	129,644	A-1
11	Total Rate Base	355,020	0	0	355,020	
SEWER						
12	Utility Plant in Service	1,146,471	(30,308)	0	1,116,163	A-6
13	Utility Land & Land Rights	70,890		0	70,890	A-6
14	Construction Work in Progress	0		0	0	A-2
15	Less: Accumulated Depreciation	(292,144)	19,651	0	(272,494)	A-10
16	Less: CIAC	(343,607)	0	0	(343,607)	A-12
17	Accumulated Amortization of CIAC	290,122	0	0	290,122	A-14
18	Less: Accum. Amort. of Acq. Adjustments	0		0	0	A-2
19	Less: Advances For Construction	0		0	0	A-2
20	Working Capital Allowance	112,526		0	112,526	A-2
21	Total Rate Base	984,258	(10,657)	0	973,601	

Schedule of Adjustments to Rate Base - Interim

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical Projected

Water Sewer

Schedule: G-3

Page: 1 of 1

Preparer: R Griffin

Explanation: Provide an explanation of adjustments to reach the Interim Rate Base

(1)	(2)	(3)
Line No. Description	Interim Water	Interim Sewer
1	USED & USEFUL ADJUSTMENT TO 2007 TEST YEAR RATE BASE FOR INTERIM RATE PURPOSES	
2		
3	0	(30,308)
4	Utility Plant in Service	
5	For Water details see schedules A-5, F-5, and F-7	
6	For Sewer details see schedules A-6, F-6, and F-7	
7	0	19,651
8	Accumulated Depreciation	
9	For Water details see schedules A-9, F-5, and F-7	
10	For Sewer details see schedules A-10, F-6, and F-7	
11		
12	0	(10,657)
	Total Rate Base	

Schedule of Net Operating Income - Interim

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [X] Projected []

Water [X] Sewer [X]

Schedule: G-4

Page: 1 of 1

Preparer: S Szczygiel

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Line No. Description	Utility Adjusted Test Year	Adjustments for Non-U&U	Utility Interim Adjustments	Adjusted Interim Test Year	Interim Increase	Requested Interim Revenues	Standalone % Increase	FWS Consol. Unlimited % Increase	Supporting Schedules
Water									
1 Water Sales Revenues	310,101		0	310,101	225,444	535,545	72.70%	49.9%	E-2w
2 Other Revenues	4,515		0	4,515	0	4,515			E-2w
3 OPERATING REVENUES	314,616	0	0	314,616	225,444	540,060			
4 Operation & Maintenance	444,824		0	444,824	3,329	448,154			B-5
5 Depreciation, net of CIAC Amort.	16,283	0	0	16,283		16,283			B-13
6 Amortization	6,717		0	6,717		6,717			
7 Taxes Other Than Income	24,660	(5,130)	0	19,530	10,138	29,669			B-15
8 Provision for Income Taxes	(69,326)		0	(69,326)	81,770	12,444			C-1
9 OPERATING EXPENSES	423,159	(5,130)	0	418,029	95,238	513,267			
10 NET OPERATING INCOME	(108,543)	5,130	0	(103,414)	130,207	26,793			
11 RATE BASE	355,020			355,020		355,020			A-1
12 RATE OF RETURN	-30.57%			-29.13%		7.55%			
Sewer									
13 Sewer Sales Revenues	381,537		0	381,537	62,892	444,429	16.48%	104.1%	E-2s
14 Other Revenues	0		0	0	0	0			E-2s
15 OPERATING REVENUES	381,537	0	0	381,537	62,892	444,429			
16 Operation & Maintenance	247,859		0	247,859	929	248,788			B-6
17 Depreciation, net of CIAC Amort.	47,912	0	0	47,912		47,912			B-14
18 Amortization	5,720		0	5,720		5,720			
19 Taxes Other Than Income	15,143	15,206	0	30,349	2,828	33,177			B-15
20 Provision for Income Taxes	11,926		0	11,926	22,811	34,738			C-1
21 OPERATING EXPENSES	328,560	15,206	0	343,766	26,569	370,335			
22 NET OPERATING INCOME	52,976	(15,206)	0	37,770	36,324	74,094			
23 RATE BASE	984,258			984,258		984,258			A-2
24 RATE OF RETURN	5.38%			3.84%		7.53%			

Schedule of Adjustments to Operating Income - Interim

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical Projected Water Sewer

Schedule: G-5

Page: 1 of 1

Preparer: S Szczygiel

Explanation: Provide an explanation of adjustments to calculate Interim Operating Expenses

Line No.	(1) Description	(2) Interim Water	(3) Interim Sewer
USED & USEFUL ADJUSTMENT TO 2005 TEST YEAR			
1	Depreciation Expense for Interim Rate purposes	<u>0</u>	<u>0</u>
2	For Water details see schedules B-13, F-5, and F-7		
3	For Sewer details see schedules B-14, F-6, and F-7		
4			
5	Property Taxes for Interim Rate purposes	<u>(5,130)</u>	<u>15,206</u>
6	For details see schedule B-15		
UTILITY PROJECTED REVENUE REQUIREMENT ADJUSTMENTS			
7	NET OPERATING REVENUE		
8	Required Revenue Adjustment	<u>225,444</u>	<u>62,892</u>
9			
10	OPERATIONS & MAINTENANCE		
11	Impact of Revenue Increase on Bad Debt Expense	<u>3,329</u>	<u>929</u>
12			
13	TAXES OTHER THAN INCOME TAX		
14	RAF on Revenue Adjustment @ 4.50%	<u>10,145</u>	<u>2,830</u>
15			
16	INCOME TAX ADJUSTMENT		
17	Rate Year Revenue at Present Rates	314,616	381,537
18	Plus Required Revenue Adjustment	<u>225,444</u>	<u>62,892</u>
19	Rate Year Revenue at Proposed Rates	540,060	444,429
20			
21	Less Operating Expenses Before Income Taxes	(500,823)	(335,597)
22	Less Interest Expense	(6,977)	(18,779)
23	Taxable Income	32,260	90,052
24	Income Tax at Composite Rate of 38.58%	12,444	34,738
25	Less Income Tax at Present Rates	<u>69,326</u>	<u>(11,926)</u>
26			
27	Income Tax Adjustment	<u>81,770</u>	<u>22,811</u>

Schedule of Requested Cost of Capital

Florida Public Service Commission

Palm Terrace

Docket No. 080121-WS

Historical Test Year Ending December 31, 2007

Historical [] Projected []

Water [X] Sewer [X]

Schedule: G-6

Page: 1 of 1

Preparer: S Anzaldo

Line No.	(1) Class of Capital	(2) Reconciled To Requested Rate Base	(3) Ratio	(4) Cost Rate	(5) Weighted Cost Rate	(6) Cost	(7) Supporting Schedules
WATER							
1	Long-Term Debt	129,636	36.52%	5.10%	1.86%	6,615	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	214,284	60.36%	9.25%	5.58%	19,816	D-2
5	Customer Deposits	6,037	1.70%	6.00%	0.10%	362	D-2
6	Accumulated Deferred Income Taxes	5,063	1.43%	0.00%	0.00%	0	D-2
7	Total	<u>355,020</u>	<u>100.00%</u>		<u>7.55%</u>	<u>26,793</u>	
SEWER							
8	Long-Term Debt	361,877	36.77%	5.10%	1.88%	18,466	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	598,168	60.77%	9.25%	5.62%	55,315	D-2
12	Customer Deposits	5,218	0.53%	6.00%	0.03%	313	D-2
13	Accumulated Deferred Income Taxes	18,996	1.93%	0.00%	0.00%	0	D-2
14	Total	<u>984,258</u>	<u>100.00%</u>		<u>7.53%</u>	<u>74,094</u>	

Note: Common stock cost rate established at low limit of equity return range