

D. Bruce May, Jr.
850 425 5607
bruce.may@hklaw.com

August 25, 2008

VIA HAND DELIVERY

Ms. Ann Cole, Director
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, FL 32399-0850

RECEIVED-FPSC
08 AUG 25 PM 3:36
COMMISSION
CLERK

Re: *In Re: Application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc., Docket No. 080121-WS*

Dear Ms. Cole:

In preparing responses to discovery propounded by the Office of Public Counsel, specifically Interrogatories Nos. 119 – 121, AUF has discovered that several revisions are needed to its originally filed Allowance For Funds Prudently Invested ("AFPI") schedules contained in Volume 2 of the MFRs. Accordingly, please find attached 16 copies of revised MFR Volume 2, which contains the needed revisions.

As previously stated in AUF's letter dated May 22, 2008 to Mr. Tim Devlin, AUF's request for AFPI charges is governed by the tariff provisions of Section 367.091, Florida Statutes, and is separate from its request for an increase in water and wastewater rates under Section 367.081, Florida Statutes. These are two distinct requests being processed under the same docket number for purposes of administrative efficiency. Thus, the filing of revised AFPI charges should not be construed in any way to be a revision to AUF's overall request for increased monthly rates for service.

COM
ECR
GCL 4
OPC
RCP
SSC
SGA
ADM
CLK

DOCUMENT NUMBER-DATE

07714 AUG 25 8

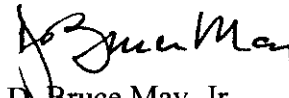
Ann Cole, Director
August 25, 2008
Page 2

As indicated in its May 22 Letter, AUF reconfirms that it agrees to waive the eight month timeframe for Commission decision on its request for AFPI charges.

Please acknowledge receipt of this filing and this letter by stamping the extra copy of this letter "filed" and returning the copy to me. Thank you for your assistance.

Sincerely,

HOLLAND & KNIGHT LLP


D. Bruce May, Jr.

:kjg
Encls.

cc: Ralph Jaeger, Esq.
Katherine Fleming, Esq.
Caroline Klancke, Esq.
Erik Sayler, Esq.
Charles Beck, Esq.
Cecilia Bradley, Esq.
Kimberly A. Joyce, Esq.

5559945_v2

Aqua Utilities Florida, Inc.

Docket No. 080121-WS

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

Florida

VOLUME 2
Revised

Containing
Minimum Filing Requirements

Allowance for Funds Prudently Invested

Historical Test Year Ending December 31, 2007

Filed August 2008

DOCUMENT NUMBER - DATE

07714 AUG 25 08

FPSC-COMMISSION CLERK

Aqua Utilities Florida, Inc.
Allowance for Funds Prudently Invested

SYSTEM	TYPE:		Calculation & Tariff	
	<u>W</u>	<u>WW</u>	<u>Page #</u>	
48 Estates	X		5 -	8
Carlton Village	X		9 -	12
Hermits Cove	X		13 -	19
Holiday Haven	X	X	21 -	28
Interlachen Lake Estates	X		29 -	32
Leisure Lakes	X	X	33 -	40
Palm Port		X	41 -	44
Palms Mobile Home Park	X		45 -	48
Picciola Island	X		49 -	55
Pomona Park	X		57 -	60
Sebring Lakes	X		61 -	64
Silver Lake Oaks	X	X	65 -	72
St. John's Highlands	X		73 -	76
Stone Mountain	X		77 -	80
Sunny Hills	X	X	81 -	85
Tangerine	X		87 -	90
The Woods	X	X	91 -	95
Venetian Village	X		97 -	100
Village Water		X	101 -	107
Welaka/Saratoga	X		109 -	115
Wootens	X		117 -	120

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
48 Estates
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	20	-
2			
3	Net Cost of Qualifying Assets (NU&U)	3,863	-
4	Net Cost of Qualifying Assets per ERC	189	-
5	Multiply By Rate of Return	8.13%	0.00%
6	Annual Return Per ERC	15.38	-
7			
8	Composite Depreciation Rate of Qualifying Assets	3.28%	0.00%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	127	-
11	Annual Depr. Cost per ERC	6.21	-
12	Annual Reduction in Return per ERC	0.50	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	23	-
16	Annual Prop. Tax per ERC	1.14	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.25%	0.00%
24	Divided by Rate of Return	8.13%	0.00%
25	% of Equity in Return	76.85%	0.00%
26			
27	Effective Tax on Return	29.64%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.26%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
48 Estates
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

WATER						
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	6.21	6.21	6.21	6.21	6.21
3	Unfunded Property Tax	1.14	1.14	1.14	1.14	1.14
4	Subtotal Unfunded Annual Expense	<u>7.35</u>	<u>7.35</u>	<u>7.35</u>	<u>7.35</u>	<u>7.35</u>
5						
6	Unfunded Expenses Prior Year	-	7.35	14.70	22.05	29.40
7	Total Unfunded Expenses	<u>7.35</u>	<u>14.70</u>	<u>22.05</u>	<u>29.40</u>	<u>36.75</u>
8						
9	Return on Expenses Current Year	0.60	0.60	0.60	0.60	0.60
10						
11	Return on Expenses Prior Year	-	0.60	1.20	1.79	2.39
12	Return on Plant Current Year	15.38	14.88	14.37	13.87	13.36
13	Earnings Prior Year	-	15.38	32.10	50.28	70.02
14	Compound Earnings from Prior Year	-	1.25	2.61	4.09	5.69
15	Total Compounded Earnings	<u>15.38</u>	<u>32.10</u>	<u>50.28</u>	<u>70.02</u>	<u>91.47</u>
16						
17	Earnings Expansion Factor for Tax	1.483	1.483	1.483	1.483	1.483
18						
19	Revenue Required to Fund Earnings	22.80	47.60	74.54	103.82	135.61
20	Revenue Required to Fund Expenses	7.35	14.70	22.05	29.40	36.75
21	Subtotal	<u>30.15</u>	<u>62.30</u>	<u>96.59</u>	<u>133.22</u>	<u>172.36</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>31.57</u>	<u>65.23</u>	<u>101.15</u>	<u>139.50</u>	<u>180.49</u>

Calculation of Carrying Cost Per ERC Per Month:						
		2008	2009	2010	2011	2012
24	January	2.63	34.38	68.23	104.34	142.91
25	February	5.26	37.18	71.22	107.54	146.33
26	March	7.89	39.99	74.21	110.73	149.74
27	April	10.52	42.79	77.20	113.93	153.16
28	May	13.16	45.60	80.20	117.13	156.58
29	June	15.79	48.40	83.19	120.32	159.99
30	July	18.42	51.21	86.18	123.52	163.41
31	August	21.05	54.01	89.17	126.71	166.82
32	September	23.68	56.82	92.17	129.91	170.24
33	October	26.31	59.62	95.16	133.11	173.65
34	November	28.94	62.43	98.15	136.30	177.07
35	December	31.57	65.23	101.15	139.50	180.49

Allowance for Funds Prudently Invested - Lines - Sewer
 Calculation of Carrying Costs for Each ERC - cont'd
 48 Estates
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission
 Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

SEWER

Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Month:						
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****48 Estates
Lake County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	2.63	34.38	68.23	104.34	142.91
2	5.26	37.18	71.22	107.54	146.33
3	7.89	39.99	74.21	110.73	149.74
4	10.52	42.79	77.20	113.93	153.16
5	13.16	45.60	80.20	117.13	156.58
6	15.79	48.40	83.19	120.32	159.99
7	18.42	51.21	86.18	123.52	163.41
8	21.05	54.01	89.17	126.71	166.82
9	23.68	56.82	92.17	129.91	170.24
10	26.31	59.62	95.16	133.11	173.65
11	28.94	62.43	98.15	136.30	177.07
12	31.57	65.23	101.15	139.50	180.49

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Carlton Village
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	351	-
2			
3	Net Cost of Qualifying Assets (NU&U)	129,957	-
4	Net Cost of Qualifying Assets per ERC	370	-
5	Multiply By Rate of Return	7.93%	0.00%
6	Annual Return Per ERC	29.37	-
7			
8	Composite Depreciation Rate of Qualifying Assets	2.82%	0.00%
9			
10	Annual Depreciation Expense of Qlifyg Asts (NU&U)	3,666	-
11	Annual Depr. Cost per ERC	10.45	-
12	Annual Reduction in Return per ERC	0.83	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	1,256	-
16	Annual Prop. Tax per ERC	3.58	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.03%	0.00%
24	Divided by Rate of Return	7.93%	0.00%
25	% of Equity in Return	75.98%	0.00%
26			
27	Effective Tax on Return	29.31%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.71%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Carlton Village
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

WATER						
(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	10.45	10.45	10.45	10.45	10.45
3	Unfunded Property Tax	3.58	3.58	3.58	3.58	3.58
4	Subtotal Unfunded Annual Expense	<u>14.03</u>	<u>14.03</u>	<u>14.03</u>	<u>14.03</u>	<u>14.03</u>
5						
6	Unfunded Expenses Prior Year	-	14.03	28.06	42.09	56.12
7	Total Unfunded Expenses	<u>14.03</u>	<u>28.06</u>	<u>42.09</u>	<u>56.12</u>	<u>70.15</u>
8						
9	Return on Expenses Current Year	1.11	1.11	1.11	1.11	1.11
10						
11	Return on Expenses Prior Year	-	1.11	2.23	3.34	4.45
12	Return on Plant Current Year	29.37	28.54	27.71	26.88	26.06
13	Earnings Prior Year	-	29.37	61.35	96.16	134.00
14	Compound Earnings from Prior Year	-	2.33	4.87	7.63	10.63
15	Total Compounded Earnings	<u>29.37</u>	<u>61.35</u>	<u>96.16</u>	<u>134.00</u>	<u>175.14</u>
16						
17	Earnings Expansion Factor for Tax	1.477	1.477	1.477	1.477	1.477
18						
19	Revenue Required to Fund Earnings	43.38	90.63	142.04	197.94	258.70
20	Revenue Required to Fund Expenses	14.03	28.06	42.09	56.12	70.15
21	Subtotal	<u>57.41</u>	<u>118.69</u>	<u>184.13</u>	<u>254.06</u>	<u>328.85</u>
22	Divided by Factor for Regulatory Assessment Fee	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>
23	ERC Carrying Cost for 1 Year	<u>60.12</u>	<u>124.28</u>	<u>192.80</u>	<u>266.03</u>	<u>344.35</u>

Calculation of Carrying Cost Per ERC Per Month:						
		2008	2009	2010	2011	2012
24	January	5.01	65.47	129.99	198.90	272.56
25	February	10.02	70.81	135.70	205.01	279.09
26	March	15.03	76.16	141.41	211.11	285.61
27	April	20.04	81.51	147.12	217.21	292.14
28	May	25.05	86.85	152.83	223.32	298.66
29	June	30.06	92.20	158.54	229.42	305.19
30	July	35.07	97.55	164.25	235.52	311.72
31	August	40.08	102.89	169.96	241.62	318.24
32	September	45.09	108.24	175.67	247.73	324.77
33	October	50.10	113.59	181.38	253.83	331.29
34	November	55.11	118.93	187.09	259.93	337.82
35	December	60.12	124.28	192.80	266.03	344.35

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Carlton Village
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
	(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Carlton Village
Lake County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	5.01	65.47	129.99	198.90	272.56
2	10.02	70.81	135.70	205.01	279.09
3	15.03	76.16	141.41	211.11	285.61
4	20.04	81.51	147.12	217.21	292.14
5	25.05	86.85	152.83	223.32	298.66
6	30.06	92.20	158.54	229.42	305.19
7	35.07	97.55	164.25	235.52	311.72
8	40.08	102.89	169.96	241.62	318.24
9	45.09	108.24	175.67	247.73	324.77
10	50.10	113.59	181.38	253.83	331.29
11	55.11	118.93	187.09	259.93	337.82
12	60.12	124.28	192.80	266.03	344.35

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

 Jack Lihvarcik
 Chief Operating Officer

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Hermits Cove
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	66	-
2			
3	Net Cost of Qualifying Assets (NU&U)	8,737	-
4	Net Cost of Qualifying Assets per ERC	133	-
5	Multiply By Rate of Return	8.11%	0.00%
6	Annual Return Per ERC	10.79	-
7			
8	Composite Depreciation Rate of Qualifying Assets	3.72%	0.00%
9			
10	Annual Depreciation Expense of Qlifyg Asts (NU&U)	325	-
11	Annual Depr. Cost per ERC	4.95	-
12	Annual Reduction in Return per ERC	0.40	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	204	-
16	Annual Prop. Tax per ERC	3.11	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.22%	0.00%
24	Divided by Rate of Return	8.11%	0.00%
25	% of Equity in Return	76.72%	0.00%
26			
27	Effective Tax on Return	29.59%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.18%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Hermits Cove
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	4.95	4.95	4.95	4.95	4.95
3	Unfunded Property Tax	3.11	3.11	3.11	3.11	3.11
4	Subtotal Unfunded Annual Expense	8.06	8.06	8.06	8.06	8.06
5						
6	Unfunded Expenses Prior Year	-	8.06	16.12	24.19	32.25
7	Total Unfunded Expenses	8.06	16.12	24.19	32.25	40.31
8						
9	Return on Expenses Current Year	0.65	0.65	0.65	0.65	0.65
10						
11	Return on Expenses Prior Year	-	0.65	1.31	1.96	2.62
12	Return on Plant Current Year	10.79	10.39	9.99	9.59	9.18
13	Earnings Prior Year	-	10.79	22.71	35.84	50.30
14	Compound Earnings from Prior Year	-	0.88	1.84	2.91	4.08
15	Total Compounded Earnings	10.79	22.71	35.84	50.30	66.18
16						
17	Earnings Expansion Factor for Tax	1.482	1.482	1.482	1.482	1.482
18						
19	Revenue Required to Fund Earnings	15.99	33.65	53.11	74.53	98.06
20	Revenue Required to Fund Expenses	8.06	16.12	24.19	32.25	40.31
21	Subtotal	24.05	49.77	77.30	106.78	138.37
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	25.18	52.12	80.94	111.81	144.89

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	2.10	27.43	54.52	83.52	114.57
25	February	4.20	29.67	56.92	86.09	117.33
26	March	6.30	31.92	59.32	88.66	120.08
27	April	8.39	34.16	61.73	91.23	122.84
28	May	10.49	36.41	64.13	93.81	125.60
29	June	12.59	38.65	66.53	96.38	128.35
30	July	14.69	40.90	68.93	98.95	131.11
31	August	16.79	43.14	71.33	101.52	133.87
32	September	18.89	45.38	73.74	104.10	136.62
33	October	20.99	47.63	76.14	106.67	139.38
34	November	23.09	49.87	78.54	109.24	142.14
35	December	25.18	52.12	80.94	111.81	144.89

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Hermits Cove
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 3 of 3
Preparer: D Smeltzer

SEWER						
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:						
		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

Allowance for Funds Prudently Invested - Treatment
Calculation of Carrying Costs for Each ERC
Hermits Cove
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	66	-
2			
3	Net Cost of Qualifying Assets (NU&U)	28,152	-
4	Net Cost of Qualifying Assets per ERC	429	-
5	Multiply By Rate of Return	8.11%	0.00%
6	Annual Return Per ERC	34.77	-
7			
8	Composite Depreciation Rate of Qualifying Assets	6.47%	0.00%
9			
10	Annual Depreciation Expense of Qllyg Asts (NU&U)	1,822	-
11	Annual Depr. Cost per ERC	27.74	-
12	Annual Reduction in Return per ERC	2.25	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	658	-
16	Annual Prop. Tax per ERC	10.03	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.22%	0.00%
24	Divided by Rate of Return	8.11%	0.00%
25	% of Equity in Return	76.72%	0.00%
26			
27	Effective Tax on Return	29.59%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.18%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Treatment - Water
Calculation of Carrying Costs for Each ERC - cont'd
Hermits Cove
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	27.74	27.74	27.74	27.74	27.74
3	Unfunded Property Tax	10.03	10.03	10.03	10.03	10.03
4	Subtotal Unfunded Annual Expense	<u>37.77</u>	<u>37.77</u>	<u>37.77</u>	<u>37.77</u>	<u>37.77</u>
5						
6	Unfunded Expenses Prior Year	-	37.77	75.54	113.31	151.08
7	Total Unfunded Expenses	<u>37.77</u>	<u>75.54</u>	<u>113.31</u>	<u>151.08</u>	<u>188.85</u>
8						
9	Return on Expenses Current Year	3.06	3.06	3.06	3.06	3.06
10						
11	Return on Expenses Prior Year	-	3.06	6.13	9.19	12.25
12	Return on Plant Current Year	34.77	32.52	30.27	28.02	25.77
13	Earnings Prior Year	-	34.77	73.17	115.50	162.08
14	Compound Earnings from Prior Year	-	2.82	5.93	9.37	13.15
15	Total Compounded Earnings	<u>34.77</u>	<u>73.17</u>	<u>115.50</u>	<u>162.08</u>	<u>213.25</u>
16						
17	Earnings Expansion Factor for Tax	1.482	1.482	1.482	1.482	1.482
18						
19	Revenue Required to Fund Earnings	51.52	108.43	171.16	240.17	316.00
20	Revenue Required to Fund Expenses	37.77	75.54	113.31	151.08	188.85
21	Subtotal	<u>89.29</u>	<u>183.97</u>	<u>284.47</u>	<u>391.26</u>	<u>504.85</u>
22	Divided by Factor for Regulatory Assessment Fee	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>
23	ERC Carrying Cost for 1 Year	<u>93.50</u>	<u>192.64</u>	<u>297.87</u>	<u>409.69</u>	<u>528.64</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	7.79	101.76	201.41	307.19	419.60
25	February	15.58	110.02	210.18	316.51	429.52
26	March	23.38	118.29	218.95	325.83	439.43
27	April	31.17	126.55	227.72	335.15	449.34
28	May	38.96	134.81	236.49	344.46	459.25
29	June	46.75	143.07	245.25	353.78	469.17
30	July	54.54	151.33	254.02	363.10	479.08
31	August	62.33	159.59	262.79	372.42	488.99
32	September	70.13	167.85	271.56	381.74	498.90
33	October	77.92	176.12	280.33	391.06	508.81
34	November	85.71	184.38	289.10	400.37	518.73
35	December	93.50	192.64	297.87	409.69	528.64

Allowance for Funds Prudently Invested - Treatment - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Hermits Cove
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Hermits Cove
Putnam County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	2.10	27.43	54.52	83.52	114.57
2	4.20	29.67	56.92	86.09	117.33
3	6.30	31.92	59.32	88.66	120.08
4	8.39	34.16	61.73	91.23	122.84
5	10.49	36.41	64.13	93.81	125.60
6	12.59	38.65	66.53	96.38	128.35
7	14.69	40.90	68.93	98.95	131.11
8	16.79	43.14	71.33	101.52	133.87
9	18.89	45.38	73.74	104.10	136.62
10	20.99	47.63	76.14	106.67	139.38
11	23.09	49.87	78.54	109.24	142.14
12	25.18	52.12	80.94	111.81	144.89

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	7.79	101.76	201.41	307.19	419.60
2	15.58	110.02	210.18	316.51	429.52
3	23.38	118.29	218.95	325.83	439.43
4	31.17	126.55	227.72	335.15	449.34
5	38.96	134.81	236.49	344.46	459.25
6	46.75	143.07	245.25	353.78	469.17
7	54.54	151.33	254.02	363.10	479.08
8	62.33	159.59	262.79	372.42	488.99
9	70.13	167.85	271.56	381.74	498.90
10	77.92	176.12	280.33	391.06	508.81
11	85.71	184.38	289.10	400.37	518.73
12	93.50	192.64	297.87	409.69	528.64

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer



Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Holiday Haven
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	36	34
2			
3	Net Cost of Qualifying Assets (NU&U)	6,755	19,597
4	Net Cost of Qualifying Assets per ERC	187	576
5	Multiply By Rate of Return	8.17%	8.08%
6	Annual Return Per ERC	15.26	46.59
7			
8	Composite Depreciation Rate of Qualifying Assets	2.47%	3.34%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	167	654
11	Annual Depr. Cost per ERC	4.61	19.23
12	Annual Reduction in Return per ERC	0.38	1.55
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	43	266
16	Annual Prop. Tax per ERC	1.18	7.83
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.21%	6.20%
24	Divided by Rate of Return	8.17%	8.08%
25	% of Equity in Return	76.09%	76.71%
26			
27	Effective Tax on Return	29.35%	29.59%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.78%	48.17%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Holiday Haven
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	4.61	4.61	4.61	4.61	4.61
3	Unfunded Property Tax	1.18	1.18	1.18	1.18	1.18
4	Subtotal Unfunded Annual Expense	5.79	5.79	5.79	5.79	5.79
5						
6	Unfunded Expenses Prior Year	-	5.79	11.57	17.36	23.15
7	Total Unfunded Expenses	5.79	11.57	17.36	23.15	28.94
8						
9	Return on Expenses Current Year	0.47	0.47	0.47	0.47	0.47
10						
11	Return on Expenses Prior Year	-	0.47	0.95	1.42	1.89
12	Return on Plant Current Year	15.26	14.88	14.51	14.13	13.76
13	Earnings Prior Year	-	15.26	31.86	49.92	69.54
14	Compound Earnings from Prior Year	-	1.25	2.60	4.08	5.68
15	Total Compounded Earnings	15.26	31.86	49.92	69.54	90.87
16						
17	Earnings Expansion Factor for Tax	1.478	1.478	1.478	1.478	1.478
18						
19	Revenue Required to Fund Earnings	22.55	47.09	73.77	102.77	134.29
20	Revenue Required to Fund Expenses	5.79	11.57	17.36	23.15	28.94
21	Subtotal	28.34	58.66	91.13	125.92	163.23
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	29.67	61.43	95.43	131.86	170.92

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	2.47	32.32	64.26	98.46	135.11
25	February	4.95	34.97	67.09	101.50	138.37
26	March	7.42	37.61	69.93	104.53	141.62
27	April	9.89	40.26	72.76	107.57	144.88
28	May	12.36	42.90	75.59	110.61	148.13
29	June	14.84	45.55	78.43	113.64	151.39
30	July	17.31	48.20	81.26	116.68	154.64
31	August	19.78	50.84	84.09	119.71	157.90
32	September	22.26	53.49	86.93	122.75	161.15
33	October	24.73	56.13	89.76	125.79	164.41
34	November	27.20	58.78	92.59	128.82	167.66
35	December	29.67	61.43	95.43	131.86	170.92

Allowance for Funds Prudently Invested - Lines - Sewer
 Calculation of Carrying Costs for Each ERC - cont'd
 Holiday Haven
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

SEWER						
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	19.23	19.23	19.23	19.23	19.23
3	Unfunded Property Tax	7.83	7.83	7.83	7.83	7.83
4	Subtotal Unfunded Annual Expense	27.06	27.06	27.06	27.06	27.06
5						
6	Unfunded Expenses Prior Year	-	27.06	54.12	81.19	108.25
7	Total Unfunded Expenses	27.06	54.12	81.19	108.25	135.31
8						
9	Return on Expenses Current Year	2.19	2.19	2.19	2.19	2.19
10						
11	Return on Expenses Prior Year	-	2.19	4.37	6.56	8.75
12	Return on Plant Current Year	46.59	45.04	43.48	41.93	40.37
13	Earnings Prior Year	-	46.59	97.58	153.32	214.20
14	Compound Earnings from Prior Year	-	3.77	7.89	12.39	17.31
15	Total Compounded Earnings	46.59	97.58	153.32	214.20	280.64
16						
17	Earnings Expansion Factor for Tax	1.482	1.482	1.482	1.482	1.482
18						
19	Revenue Required to Fund Earnings	69.03	144.59	227.18	317.39	415.84
20	Revenue Required to Fund Expenses	27.06	54.12	81.19	108.25	135.31
21	Subtotal	96.10	198.71	308.37	425.64	551.15
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	100.62	208.07	322.90	445.70	577.12

Calculation of Carrying Cost Per ERC Per Month:						
		2008	2009	2010	2011	2012
24	January	8.39	109.58	217.64	333.13	456.65
25	February	16.77	118.53	227.21	343.37	467.60
26	March	25.16	127.49	236.78	353.60	478.55
27	April	33.54	136.44	246.35	363.83	489.51
28	May	41.93	145.40	255.92	374.07	500.46
29	June	50.31	154.35	265.49	384.30	511.41
30	July	58.70	163.30	275.06	394.53	522.36
31	August	67.08	172.26	284.62	404.77	533.31
32	September	75.47	181.21	294.19	415.00	544.26
33	October	83.85	190.17	303.76	425.23	555.21
34	November	92.24	199.12	313.33	435.47	566.16
35	December	100.62	208.07	322.90	445.70	577.12

Allowance for Funds Prudently Invested - Treatment
Calculation of Carrying Costs for Each ERC
Holiday Haven
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	-	30
2			
3	Net Cost of Qualifying Assets (NU&U)	-	19,715
4	Net Cost of Qualifying Assets per ERC	-	652
5	Multiply By Rate of Return	8.17%	8.08%
6	Annual Return Per ERC	-	52.68
7			
8	Composite Depreciation Rate of Qualifying Assets	0.00%	15.28%
9			
10	Annual Depreciation Expense of Qllyg Asts (NU&U)	-	3,012
11	Annual Depr. Cost per ERC	-	99.57
12	Annual Reduction in Return per ERC	-	8.05
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	-	268
16	Annual Prop. Tax per ERC	-	8.86
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.21%	6.20%
24	Divided by Rate of Return	8.17%	8.08%
25	% of Equity in Return	76.09%	76.71%
26			
27	Effective Tax on Return	29.35%	29.59%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.78%	48.17%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Treatment - Water
Calculation of Carrying Costs for Each ERC - cont'd
Holiday Haven
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.478	1.478	1.478	1.478	1.478
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

Allowance for Funds Prudently Invested - Treatment - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Holiday Haven
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	99.57	99.57	99.57	99.57	99.57
3	Unfunded Property Tax	8.86	8.86	8.86	8.86	8.86
4	Subtotal Unfunded Annual Expense	108.43	108.43	108.43	108.43	108.43
5						
6	Unfunded Expenses Prior Year	-	108.43	216.85	325.28	433.71
7	Total Unfunded Expenses	108.43	216.85	325.28	433.71	542.14
8						
9	Return on Expenses Current Year	8.76	8.76	8.76	8.76	8.76
10						
11	Return on Expenses Prior Year	-	8.76	17.53	26.29	35.06
12	Return on Plant Current Year	52.68	44.63	36.58	28.54	20.49
13	Earnings Prior Year	-	52.68	110.33	173.36	242.20
14	Compound Earnings from Prior Year	-	4.26	8.92	14.01	19.58
15	Total Compounded Earnings	52.68	110.33	173.36	242.20	317.33
16						
17	Earnings Expansion Factor for Tax	1.482	1.482	1.482	1.482	1.482
18						
19	Revenue Required to Fund Earnings	78.06	163.49	256.88	358.88	470.19
20	Revenue Required to Fund Expenses	108.43	216.85	325.28	433.71	542.14
21	Subtotal	186.49	380.34	582.16	792.59	1,012.33
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	195.27	398.26	609.59	829.94	1,060.03

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	16.27	212.19	415.87	627.96	849.11
25	February	32.55	229.10	433.48	646.32	868.29
26	March	48.82	246.02	451.10	664.68	887.46
27	April	65.09	262.94	468.71	683.04	906.64
28	May	81.36	279.85	486.32	701.40	925.81
29	June	97.64	296.77	503.93	719.77	944.99
30	July	113.91	313.68	521.54	738.13	964.16
31	August	130.18	330.60	539.15	756.49	983.33
32	September	146.45	347.52	556.76	774.85	1,002.51
33	October	162.73	364.43	574.37	793.22	1,021.68
34	November	179.00	381.35	591.98	811.58	1,040.86
35	December	195.27	398.26	609.59	829.94	1,060.03

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)Holiday Haven
Lake County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	2.47	32.32	64.26	98.46	135.11
2	4.95	34.97	67.09	101.50	138.37
3	7.42	37.61	69.93	104.53	141.62
4	9.89	40.26	72.76	107.57	144.88
5	12.36	42.90	75.59	110.61	148.13
6	14.84	45.55	78.43	113.64	151.39
7	17.31	48.20	81.26	116.68	154.64
8	19.78	50.84	84.09	119.71	157.90
9	22.26	53.49	86.93	122.75	161.15
10	24.73	56.13	89.76	125.79	164.41
11	27.20	58.78	92.59	128.82	167.66
12	29.67	61.43	95.43	131.86	170.92

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Holiday Haven
Lake County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	8.39	109.58	217.64	333.13	456.65
2	16.77	118.53	227.21	343.37	467.60
3	25.16	127.49	236.78	353.60	478.55
4	33.54	136.44	246.35	363.83	489.51
5	41.93	145.40	255.92	374.07	500.46
6	50.31	154.35	265.49	384.30	511.41
7	58.70	163.30	275.06	394.53	522.36
8	67.08	172.26	284.62	404.77	533.31
9	75.47	181.21	294.19	415.00	544.26
10	83.85	190.17	303.76	425.23	555.21
11	92.24	199.12	313.33	435.47	566.16
12	100.62	208.07	322.90	445.70	577.12

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	16.27	212.19	415.87	627.96	849.11
2	32.55	229.10	433.48	646.32	868.29
3	48.82	246.02	451.10	664.68	887.46
4	65.09	262.94	468.71	683.04	906.64
5	81.36	279.85	486.32	701.40	925.81
6	97.64	296.77	503.93	719.77	944.99
7	113.91	313.68	521.54	738.13	964.16
8	130.18	330.60	539.15	756.49	983.33
9	146.45	347.52	556.76	774.85	1,002.51
10	162.73	364.43	574.37	793.22	1,021.68
11	179.00	381.35	591.98	811.58	1,040.86
12	195.27	398.26	609.59	829.94	1,060.03

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

**Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Interlachen Lake/Park Manor
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007**

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	55	-
2			
3	Net Cost of Qualifying Assets (NU&U)	4,425	-
4	Net Cost of Qualifying Assets per ERC	80	-
5	Multiply By Rate of Return	8.17%	8.13%
6	Annual Return Per ERC	6.51	-
7			
8	Composite Depreciation Rate of Qualifying Assets	3.88%	0.00%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	171	-
11	Annual Depr. Cost per ERC	3.09	-
12	Annual Reduction in Return per ERC	0.25	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	124	-
16	Annual Prop. Tax per ERC	2.23	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.23%	6.22%
24	Divided by Rate of Return	8.17%	8.13%
25	% of Equity in Return	76.23%	76.49%
26			
27	Effective Tax on Return	29.41%	29.50%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.88%	48.03%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Interlachen Lake/Park Manor
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 2 of 3
 Preparer: D Smeltzer

		WATER				
(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	3.09	3.09	3.09	3.09	3.09
3	Unfunded Property Tax	2.23	2.23	2.23	2.23	2.23
4	Subtotal Unfunded Annual Expense	<u>5.32</u>	<u>5.32</u>	<u>5.32</u>	<u>5.32</u>	<u>5.32</u>
5						
6	Unfunded Expenses Prior Year	-	5.32	10.65	15.97	21.30
7	Total Unfunded Expenses	<u>5.32</u>	<u>10.65</u>	<u>15.97</u>	<u>21.30</u>	<u>26.62</u>
8						
9	Return on Expenses Current Year	0.43	0.43	0.43	0.43	0.43
10						
11	Return on Expenses Prior Year	-	0.43	0.87	1.30	1.74
12	Return on Plant Current Year	6.51	6.26	6.01	5.75	5.50
13	Earnings Prior Year	-	6.51	13.73	21.73	30.56
14	Compound Earnings from Prior Year	-	0.53	1.12	1.77	2.50
15	Total Compounded Earnings	<u>6.51</u>	<u>13.73</u>	<u>21.73</u>	<u>30.56</u>	<u>40.30</u>
16						
17	Earnings Expansion Factor for Tax	1.479	1.479	1.479	1.479	1.479
18						
19	Revenue Required to Fund Earnings	9.63	20.31	32.13	45.19	59.59
20	Revenue Required to Fund Expenses	5.32	10.65	15.97	21.30	26.62
21	Subtotal	<u>14.95</u>	<u>30.96</u>	<u>48.11</u>	<u>66.49</u>	<u>86.21</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>15.66</u>	<u>32.42</u>	<u>50.37</u>	<u>69.62</u>	<u>90.27</u>

Calculation of Carrying Cost Per ERC Per Month:

	2008	2009	2010	2011	2012	
24	January	1.30	17.05	33.91	51.98	71.35
25	February	2.61	18.45	35.41	53.58	73.07
26	March	3.91	19.85	36.91	55.19	74.79
27	April	5.22	21.24	38.40	56.79	76.51
28	May	6.52	22.64	39.90	58.39	78.23
29	June	7.83	24.04	41.40	60.00	79.95
30	July	9.13	25.43	42.89	61.60	81.67
31	August	10.44	26.83	44.39	63.21	83.39
32	September	11.74	28.23	45.88	64.81	85.11
33	October	13.05	29.62	47.38	66.42	86.83
34	November	14.35	31.02	48.88	68.02	88.55
35	December	15.66	32.42	50.37	69.62	90.27

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Interlachen Lake/Park Manor
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.480	1.480	1.480	1.480	1.480
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)

**Interlachen Lake Estates
Putnam County**

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	1.30	17.05	33.91	51.98	71.35
2	2.61	18.45	35.41	53.58	73.07
3	3.91	19.85	36.91	55.19	74.79
4	5.22	21.24	38.40	56.79	76.51
5	6.52	22.64	39.90	58.39	78.23
6	7.83	24.04	41.40	60.00	79.95
7	9.13	25.43	42.89	61.60	81.67
8	10.44	26.83	44.39	63.21	83.39
9	11.74	28.23	45.88	64.81	85.11
10	13.05	29.62	47.38	66.42	86.83
11	14.35	31.02	48.88	68.02	88.55
12	15.66	32.42	50.37	69.62	90.27

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Leisure Lakes
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	95	154
2			
3	Net Cost of Qualifying Assets (NU&U)	10,040	21,336
4	Net Cost of Qualifying Assets per ERC	106	139
5	Multiply By Rate of Return	8.14%	8.04%
6	Annual Return Per ERC	8.62	11.14
7			
8	Composite Depreciation Rate of Qualifying Assets	3.97%	6.35%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	399	1,354
11	Annual Depr. Cost per ERC	4.21	8.79
12	Annual Reduction in Return per ERC	0.34	0.71
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	29	525
16	Annual Prop. Tax per ERC	0.30	3.41
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.24%	6.14%
24	Divided by Rate of Return	8.14%	8.04%
25	% of Equity in Return	76.61%	76.30%
26			
27	Effective Tax on Return	29.55%	29.43%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.11%	47.92%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Leisure Lakes
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	4.21	4.21	4.21	4.21	4.21
3	Unfunded Property Tax	0.30	0.30	0.30	0.30	0.30
4	Subtotal Unfunded Annual Expense	<u>4.51</u>	<u>4.51</u>	<u>4.51</u>	<u>4.51</u>	<u>4.51</u>
5						
6	Unfunded Expenses Prior Year	-	4.51	9.02	13.53	18.04
7	Total Unfunded Expenses	<u>4.51</u>	<u>9.02</u>	<u>13.53</u>	<u>18.04</u>	<u>22.55</u>
8						
9	Return on Expenses Current Year	0.37	0.37	0.37	0.37	0.37
10						
11	Return on Expenses Prior Year	-	0.37	0.73	1.10	1.47
12	Return on Plant Current Year	8.62	8.28	7.93	7.59	7.25
13	Earnings Prior Year	-	8.62	17.97	28.10	39.08
14	Compound Earnings from Prior Year	-	0.70	1.46	2.29	3.18
15	Total Compounded Earnings	<u>8.62</u>	<u>17.97</u>	<u>28.10</u>	<u>39.08</u>	<u>50.98</u>
16						
17	Earnings Expansion Factor for Tax	1.481	1.481	1.481	1.481	1.481
18						
19	Revenue Required to Fund Earnings	12.77	26.61	41.62	57.88	75.51
20	Revenue Required to Fund Expenses	4.51	9.02	13.53	18.04	22.55
21	Subtotal	<u>17.28</u>	<u>35.63</u>	<u>55.15</u>	<u>75.92</u>	<u>98.06</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>18.09</u>	<u>37.31</u>	<u>57.75</u>	<u>79.50</u>	<u>102.68</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	1.51	19.69	39.01	59.56	81.43
25	February	3.02	21.29	40.72	61.37	83.36
26	March	4.52	22.90	42.42	63.19	85.30
27	April	6.03	24.50	44.12	65.00	87.23
28	May	7.54	26.10	45.82	66.81	89.16
29	June	9.05	27.70	47.53	68.62	91.09
30	July	10.55	29.30	49.23	70.44	93.02
31	August	12.06	30.90	50.93	72.25	94.96
32	September	13.57	32.50	52.64	74.06	96.89
33	October	15.08	34.11	54.34	75.88	98.82
34	November	16.58	35.71	56.04	77.69	100.75
35	December	18.09	37.31	57.75	79.50	102.68

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Leisure Lakes
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	8.79	8.79	8.79	8.79	8.79
3	Unfunded Property Tax	3.41	3.41	3.41	3.41	3.41
4	Subtotal Unfunded Annual Expense	<u>12.21</u>	<u>12.21</u>	<u>12.21</u>	<u>12.21</u>	<u>12.21</u>
5						
6	Unfunded Expenses Prior Year	-	12.21	24.41	36.62	48.82
7	Total Unfunded Expenses	<u>12.21</u>	<u>24.41</u>	<u>36.62</u>	<u>48.82</u>	<u>61.03</u>
8						
9	Return on Expenses Current Year	0.98	0.98	0.98	0.98	0.98
10						
11	Return on Expenses Prior Year	-	0.98	1.96	2.94	3.93
12	Return on Plant Current Year	11.14	10.43	9.73	9.02	8.31
13	Earnings Prior Year	-	11.14	23.45	37.02	51.96
14	Compound Earnings from Prior Year	-	0.90	1.89	2.98	4.18
15	Total Compounded Earnings	<u>11.14</u>	<u>23.45</u>	<u>37.02</u>	<u>51.96</u>	<u>68.38</u>
16						
17	Earnings Expansion Factor for Tax	1.479	1.479	1.479	1.479	1.479
18						
19	Revenue Required to Fund Earnings	16.48	34.69	54.76	76.86	101.14
20	Revenue Required to Fund Expenses	12.21	24.41	36.62	48.82	61.03
21	Subtotal	<u>28.68</u>	<u>59.10</u>	<u>91.38</u>	<u>125.69</u>	<u>162.17</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>30.04</u>	<u>61.88</u>	<u>95.69</u>	<u>131.61</u>	<u>169.82</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	2.50	32.69	64.70	98.68	134.79
25	February	5.01	35.34	67.52	101.68	137.98
26	March	7.51	38.00	70.33	104.67	141.16
27	April	10.01	40.65	73.15	107.66	144.34
28	May	12.51	43.30	75.97	110.66	147.53
29	June	15.02	45.96	78.79	113.65	150.71
30	July	17.52	48.61	81.60	116.64	153.90
31	August	20.02	51.27	84.42	119.64	157.08
32	September	22.53	53.92	87.24	122.63	160.26
33	October	25.03	56.57	90.05	125.62	163.45
34	November	27.53	59.23	92.87	128.62	166.63
35	December	30.04	61.88	95.69	131.61	169.82

Allowance for Funds Prudently Invested - Treatment
Calculation of Carrying Costs for Each ERC
Leisure Lakes
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	-	154
2			
3	Net Cost of Qualifying Assets (NU&U)	-	7,666
4	Net Cost of Qualifying Assets per ERC	-	50
5	Multiply By Rate of Return	8.14%	8.04%
6	Annual Return Per ERC	-	4.00
7			
8	Composite Depreciation Rate of Qualifying Assets	0.00%	50.02%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	-	3,835
11	Annual Depr. Cost per ERC	-	24.90
12	Annual Reduction in Return per ERC	-	2.00
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	-	189
16	Annual Prop. Tax per ERC	-	1.23
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.24%	6.14%
24	Divided by Rate of Return	8.14%	8.04%
25	% of Equity in Return	76.61%	76.30%
26			
27	Effective Tax on Return	29.55%	29.43%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.11%	47.92%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Treatment - Water
Calculation of Carrying Costs for Each ERC - cont'd
Leisure Lakes
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
 Page: 2 of 3
 Preparer: D Smeltzer

		WATER				
		(2)	(3)	(4)	(5)	(6)
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.481	1.481	1.481	1.481	1.481
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

Allowance for Funds Prudently Invested - Treatment - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Leisure Lakes
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	24.90	24.90	24.90	24.90	24.90
3	Unfunded Property Tax	1.23	1.23	1.23	1.23	1.23
4	Subtotal Unfunded Annual Expense	26.13	26.13	26.13	26.13	26.13
5						
6	Unfunded Expenses Prior Year	-	26.13	52.26	78.38	104.51
7	Total Unfunded Expenses	26.13	52.26	78.38	104.51	130.64
8						
9	Return on Expenses Current Year	2.10	2.10	2.10	2.10	2.10
10						
11	Return on Expenses Prior Year	-	2.10	4.20	6.30	8.40
12	Return on Plant Current Year	4.00	2.00	-	-	-
13	Earnings Prior Year	-	4.00	8.42	13.30	20.67
14	Compound Earnings from Prior Year	-	0.32	0.68	1.07	1.66
15	Total Compounded Earnings	4.00	8.42	13.30	20.67	30.74
16						
17	Earnings Expansion Factor for Tax	1.479	1.479	1.479	1.479	1.479
18						
19	Revenue Required to Fund Earnings	5.92	12.45	19.67	30.58	45.47
20	Revenue Required to Fund Expenses	26.13	52.26	78.38	104.51	130.64
21	Subtotal	32.04	64.71	98.06	135.09	176.11
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	33.55	67.76	102.68	141.45	184.40

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	2.80	36.41	70.67	105.91	145.03
25	February	5.59	39.26	73.58	109.14	148.61
26	March	8.39	42.11	76.49	112.37	152.19
27	April	11.18	44.96	79.40	115.60	155.77
28	May	13.98	47.81	82.31	118.83	159.35
29	June	16.78	50.66	85.22	122.07	162.93
30	July	19.57	53.51	88.13	125.30	166.51
31	August	22.37	56.36	91.04	128.53	170.09
32	September	25.17	59.21	93.95	131.76	173.67
33	October	27.96	62.06	96.86	134.99	177.25
34	November	30.76	64.91	99.77	138.22	180.82
35	December	33.55	67.76	102.68	141.45	184.40

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Leisure Lakes
Highlands County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	1.51	19.69	39.01	59.56	81.43
2	3.02	21.29	40.72	61.37	83.36
3	4.52	22.90	42.42	63.19	85.30
4	6.03	24.50	44.12	65.00	87.23
5	7.54	26.10	45.82	66.81	89.16
6	9.05	27.70	47.53	68.62	91.09
7	10.55	29.30	49.23	70.44	93.02
8	12.06	30.90	50.93	72.25	94.96
9	13.57	32.50	52.64	74.06	96.89
10	15.08	34.11	54.34	75.88	98.82
11	16.58	35.71	56.04	77.69	100.75
12	18.09	37.31	57.75	79.50	102.68

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Leisure Lakes
Highlands County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	2.50	32.69	64.70	98.68	134.79
2	5.01	35.34	67.52	101.68	137.98
3	7.51	38.00	70.33	104.67	141.16
4	10.01	40.65	73.15	107.66	144.34
5	12.51	43.30	75.97	110.66	147.53
6	15.02	45.96	78.79	113.65	150.71
7	17.52	48.61	81.60	116.64	153.90
8	20.02	51.27	84.42	119.64	157.08
9	22.53	53.92	87.24	122.63	160.26
10	25.03	56.57	90.05	125.62	163.45
11	27.53	59.23	92.87	128.62	166.63
12	30.04	61.88	95.69	131.61	169.82

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	2.80	36.41	70.67	105.91	145.03
2	5.59	39.26	73.58	109.14	148.61
3	8.39	42.11	76.49	112.37	152.19
4	11.18	44.96	79.40	115.60	155.77
5	13.98	47.81	82.31	118.83	159.35
6	16.78	50.66	85.22	122.07	162.93
7	19.57	53.51	88.13	125.30	166.51
8	22.37	56.36	91.04	128.53	170.09
9	25.17	59.21	93.95	131.76	173.67
10	27.96	62.06	96.86	134.99	177.25
11	30.76	64.91	99.77	138.22	180.82
12	33.55	67.76	102.68	141.45	184.40

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Palm Port
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission
Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	-	14
2			
3	Net Cost of Qualifying Assets (NU&U)	-	3,702
4	Net Cost of Qualifying Assets per ERC	-	264
5	Multiply By Rate of Return	8.17%	8.09%
6	Annual Return Per ERC	-	21.39
7			
8	Composite Depreciation Rate of Qualifying Assets	0.00%	2.79%
9			
10	Annual Depreciation Expense of Qlifyg Asts (NU&U)	-	103
11	Annual Depr. Cost per ERC	-	7.37
12	Annual Reduction in Return per ERC	-	0.60
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	-	34
16	Annual Prop. Tax per ERC	-	2.46
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.25%	6.18%
24	Divided by Rate of Return	8.17%	8.09%
25	% of Equity in Return	76.48%	76.44%
26			
27	Effective Tax on Return	29.50%	29.49%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.03%	48.01%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
 Calculation of Carrying Costs for Each ERC - cont'd
 Palm Port
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 2 of 3
 Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.480	1.480	1.480	1.480	1.480
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-
Calculation of Carrying Cost Per ERC Per Month:						
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Palm Port
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
(1)		(2)	(3)	(4)	(5)	(6)
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	7.37	7.37	7.37	7.37	7.37
3	Unfunded Property Tax	2.46	2.46	2.46	2.46	2.46
4	Subtotal Unfunded Annual Expense	<u>9.82</u>	<u>9.82</u>	<u>9.82</u>	<u>9.82</u>	<u>9.82</u>
5						
6	Unfunded Expenses Prior Year	-	9.82	19.65	29.47	39.29
7	Total Unfunded Expenses	<u>9.82</u>	<u>19.65</u>	<u>29.47</u>	<u>39.29</u>	<u>49.12</u>
8						
9	Return on Expenses Current Year	0.79	0.79	0.79	0.79	0.79
10						
11	Return on Expenses Prior Year	-	0.79	1.59	2.38	3.18
12	Return on Plant Current Year	21.39	20.79	20.20	19.60	19.01
13	Earnings Prior Year	-	21.39	44.71	70.11	97.77
14	Compound Earnings from Prior Year	-	1.73	3.62	5.67	7.91
15	Total Compounded Earnings	<u>21.39</u>	<u>44.71</u>	<u>70.11</u>	<u>97.77</u>	<u>127.86</u>
16						
17	Earnings Expansion Factor for Tax	1.480	1.480	1.480	1.480	1.480
18						
19	Revenue Required to Fund Earnings	31.66	66.17	103.77	144.71	189.25
20	Revenue Required to Fund Expenses	9.82	19.65	29.47	39.29	49.12
21	Subtotal	<u>41.48</u>	<u>85.82</u>	<u>133.24</u>	<u>184.00</u>	<u>238.36</u>
22	Divided by Factor for Regulatory Assessment Fee	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>
23	ERC Carrying Cost for 1 Year	<u>43.44</u>	<u>89.86</u>	<u>139.52</u>	<u>192.67</u>	<u>249.59</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	3.62	47.31	94.00	143.95	197.41
25	February	7.24	51.17	98.14	148.38	202.16
26	March	10.86	55.04	102.28	152.81	206.90
27	April	14.48	58.91	106.41	157.24	211.64
28	May	18.10	62.78	110.55	161.67	216.39
29	June	21.72	66.65	114.69	166.09	221.13
30	July	25.34	70.52	118.83	170.52	225.88
31	August	28.96	74.39	122.97	174.95	230.62
32	September	32.58	78.26	127.11	179.38	235.36
33	October	36.20	82.12	131.24	183.81	240.11
34	November	39.82	85.99	135.38	188.24	244.85
35	December	43.44	89.86	139.52	192.67	249.59

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Palm Port
Putnam County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	3.62	47.31	94.00	143.95	197.41
2	7.24	51.17	98.14	148.38	202.16
3	10.86	55.04	102.28	152.81	206.90
4	14.48	58.91	106.41	157.24	211.64
5	18.10	62.78	110.55	161.67	216.39
6	21.72	66.65	114.69	166.09	221.13
7	25.34	70.52	118.83	170.52	225.88
8	28.96	74.39	122.97	174.95	230.62
9	32.58	78.26	127.11	179.38	235.36
10	36.20	82.12	131.24	183.81	240.11
11	39.82	85.99	135.38	188.24	244.85
12	43.44	89.86	139.52	192.67	249.59

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges**Effective Date:****Jack Lihvarcik
Chief Operating Officer**

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Palms MHP
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	11	-
2			
3	Net Cost of Qualifying Assets (NU&U)	469	-
4	Net Cost of Qualifying Assets per ERC	44	-
5	Multiply By Rate of Return	8.16%	0.00%
6	Annual Return Per ERC	3.58	-
7			
8	Composite Depreciation Rate of Qualifying Assets	4.22%	0.00%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	20	-
11	Annual Depr. Cost per ERC	1.85	-
12	Annual Reduction in Return per ERC	0.15	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	6	-
16	Annual Prop. Tax per ERC	0.57	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.26%	0.00%
24	Divided by Rate of Return	8.16%	0.00%
25	% of Equity in Return	76.76%	0.00%
26			
27	Effective Tax on Return	29.61%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.21%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Palms MHP
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	1.85	1.85	1.85	1.85	1.85
3	Unfunded Property Tax	0.57	0.57	0.57	0.57	0.57
4	Subtotal Unfunded Annual Expense	<u>2.42</u>	<u>2.42</u>	<u>2.42</u>	<u>2.42</u>	<u>2.42</u>
5						
6	Unfunded Expenses Prior Year	-	2.42	4.83	7.25	9.66
7	Total Unfunded Expenses	<u>2.42</u>	<u>4.83</u>	<u>7.25</u>	<u>9.66</u>	<u>12.08</u>
8						
9	Return on Expenses Current Year	0.20	0.20	0.20	0.20	0.20
10						
11	Return on Expenses Prior Year	-	0.20	0.39	0.59	0.79
12	Return on Plant Current Year	3.58	3.43	3.28	3.13	2.98
13	Earnings Prior Year	-	3.58	7.50	11.78	16.46
14	Compound Earnings from Prior Year	-	0.29	0.61	0.96	1.34
15	Total Compounded Earnings	<u>3.58</u>	<u>7.50</u>	<u>11.78</u>	<u>16.46</u>	<u>21.57</u>
16						
17	Earnings Expansion Factor for Tax	1.482	1.482	1.482	1.482	1.482
18						
19	Revenue Required to Fund Earnings	5.31	11.11	17.46	24.40	31.97
20	Revenue Required to Fund Expenses	2.42	4.83	7.25	9.66	12.08
21	Subtotal	<u>7.72</u>	<u>15.94</u>	<u>24.71</u>	<u>34.06</u>	<u>44.05</u>
22	Divided by Factor for Regulatory Assessment Fee	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>
23	ERC Carrying Cost for 1 Year	<u>8.09</u>	<u>16.70</u>	<u>25.87</u>	<u>35.67</u>	<u>46.12</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	0.67	8.80	17.46	26.69	36.54
25	February	1.35	9.52	18.23	27.51	37.41
26	March	2.02	10.24	18.99	28.32	38.28
27	April	2.70	10.96	19.76	29.14	39.15
28	May	3.37	11.67	20.52	29.95	40.02
29	June	4.04	12.39	21.29	30.77	40.89
30	July	4.72	13.11	22.05	31.59	41.76
31	August	5.39	13.83	22.81	32.40	42.64
32	September	6.06	14.54	23.58	33.22	43.51
33	October	6.74	15.26	24.34	34.03	44.38
34	November	7.41	15.98	25.11	34.85	45.25
35	December	8.09	16.70	25.87	35.67	46.12

Allowance for Funds Prudently Invested - Lines - Sewer
 Calculation of Carrying Costs for Each ERC - cont'd
 Palms MHP
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
		(2)	(3)	(4)	(5)	(6)
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)Palms Mobile Home Park
Lake County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.67	8.80	17.46	26.69	36.54
2	1.35	9.52	18.23	27.51	37.41
3	2.02	10.24	18.99	28.32	38.28
4	2.70	10.96	19.76	29.14	39.15
5	3.37	11.67	20.52	29.95	40.02
6	4.04	12.39	21.29	30.77	40.89
7	4.72	13.11	22.05	31.59	41.76
8	5.39	13.83	22.81	32.40	42.64
9	6.06	14.54	23.58	33.22	43.51
10	6.74	15.26	24.34	34.03	44.38
11	7.41	15.98	25.11	34.85	45.25
12	8.09	16.70	25.87	35.67	46.12

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Picciola Island
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	37	-
2			
3	Net Cost of Qualifying Assets (NU&U)	755	-
4	Net Cost of Qualifying Assets per ERC	20	-
5	Multiply By Rate of Return	8.18%	0.00%
6	Annual Return Per ERC	1.65	-
7			
8	Composite Depreciation Rate of Qualifying Assets	8.68%	0.00%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	66	-
11	Annual Depr. Cost per ERC	1.75	-
12	Annual Reduction in Return per ERC	0.14	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	13	-
16	Annual Prop. Tax per ERC	0.36	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.24%	0.00%
24	Divided by Rate of Return	8.18%	0.00%
25	% of Equity in Return	76.19%	0.00%
26			
27	Effective Tax on Return	29.39%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.85%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Picciola Island
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	1.75	1.75	1.75	1.75	1.75
3	Unfunded Property Tax	0.36	0.36	0.36	0.36	0.36
4	Subtotal Unfunded Annual Expense	<u>2.11</u>	<u>2.11</u>	<u>2.11</u>	<u>2.11</u>	<u>2.11</u>
5						
6	Unfunded Expenses Prior Year	-	2.11	4.22	6.33	8.44
7	Total Unfunded Expenses	<u>2.11</u>	<u>4.22</u>	<u>6.33</u>	<u>8.44</u>	<u>10.55</u>
8						
9	Return on Expenses Current Year	0.17	0.17	0.17	0.17	0.17
10						
11	Return on Expenses Prior Year	-	0.17	0.35	0.52	0.69
12	Return on Plant Current Year	1.65	1.51	1.36	1.22	1.08
13	Earnings Prior Year	-	1.65	3.46	5.46	7.64
14	Compound Earnings from Prior Year	-	0.14	0.28	0.45	0.63
15	Total Compounded Earnings	<u>1.65</u>	<u>3.46</u>	<u>5.46</u>	<u>7.64</u>	<u>10.03</u>
16						
17	Earnings Expansion Factor for Tax	1.479	1.479	1.479	1.479	1.479
18						
19	Revenue Required to Fund Earnings	2.44	5.12	8.07	11.30	14.83
20	Revenue Required to Fund Expenses	2.11	4.22	6.33	8.44	10.55
21	Subtotal	<u>4.55</u>	<u>9.34</u>	<u>14.40</u>	<u>19.74</u>	<u>25.38</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>4.76</u>	<u>9.78</u>	<u>15.08</u>	<u>20.67</u>	<u>26.58</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	0.40	5.18	10.22	15.54	21.16
25	February	0.79	5.60	10.66	16.01	21.65
26	March	1.19	6.02	11.11	16.47	22.14
27	April	1.59	6.44	11.55	16.94	22.64
28	May	1.99	6.86	11.99	17.41	23.13
29	June	2.38	7.27	12.43	17.87	23.62
30	July	2.78	7.69	12.87	18.34	24.12
31	August	3.18	8.11	13.31	18.80	24.61
32	September	3.57	8.53	13.75	19.27	25.10
33	October	3.97	8.95	14.19	19.73	25.59
34	November	4.37	9.36	14.63	20.20	26.09
35	December	4.76	9.78	15.08	20.67	26.58

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Picciola Island
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
		(2)	(3)	(4)	(5)	(6)
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

Allowance for Funds Prudently Invested - Treatment
Calculation of Carrying Costs for Each ERC
Picciola Island
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	37	-
2			
3	Net Cost of Qualifying Assets (NU&U)	1,827	-
4	Net Cost of Qualifying Assets per ERC	49	-
5	Multiply By Rate of Return	8.18%	0.00%
6	Annual Return Per ERC	4.00	-
7			
8	Composite Depreciation Rate of Qualifying Assets	10.42%	0.00%
9			
10	Annual Depreciation Expense of Qlifyg Asts (NU&U)	190	-
11	Annual Depr. Cost per ERC	5.10	-
12	Annual Reduction in Return per ERC	0.42	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	32	-
16	Annual Prop. Tax per ERC	0.86	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.24%	0.00%
24	Divided by Rate of Return	8.18%	0.00%
25	% of Equity in Return	76.19%	0.00%
26			
27	Effective Tax on Return	29.39%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.85%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Treatment - Water
Calculation of Carrying Costs for Each ERC - cont'd
Picciola Island
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	5.10	5.10	5.10	5.10	5.10
3	Unfunded Property Tax	0.86	0.86	0.86	0.86	0.86
4	Subtotal Unfunded Annual Expense	5.96	5.96	5.96	5.96	5.96
5						
6	Unfunded Expenses Prior Year	-	5.96	11.92	17.89	23.85
7	Total Unfunded Expenses	5.96	11.92	17.89	23.85	29.81
8						
9	Return on Expenses Current Year	0.49	0.49	0.49	0.49	0.49
10						
11	Return on Expenses Prior Year	-	0.49	0.98	1.46	1.95
12	Return on Plant Current Year	4.00	3.58	3.17	2.75	2.33
13	Earnings Prior Year	-	4.00	8.40	13.23	18.52
14	Compound Earnings from Prior Year	-	0.33	0.69	1.08	1.52
15	Total Compounded Earnings	4.00	8.40	13.23	18.52	24.32
16						
17	Earnings Expansion Factor for Tax	1.479	1.479	1.479	1.479	1.479
18						
19	Revenue Required to Fund Earnings	5.91	12.42	19.56	27.38	35.95
20	Revenue Required to Fund Expenses	5.96	11.92	17.89	23.85	29.81
21	Subtotal	11.88	24.34	37.44	51.23	65.76
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	12.44	25.49	39.21	53.64	68.86

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	1.04	13.52	26.63	40.41	54.91
25	February	2.07	14.61	27.77	41.61	56.18
26	March	3.11	15.70	28.92	42.82	57.45
27	April	4.15	16.79	30.06	44.02	58.72
28	May	5.18	17.87	31.20	45.22	59.99
29	June	6.22	18.96	32.35	46.42	61.25
30	July	7.25	20.05	33.49	47.63	62.52
31	August	8.29	21.14	34.63	48.83	63.79
32	September	9.33	22.22	35.78	50.03	65.06
33	October	10.36	23.31	36.92	51.24	66.33
34	November	11.40	24.40	38.06	52.44	67.60
35	December	12.44	25.49	39.21	53.64	68.86

Allowance for Funds Prudently Invested - Treatment - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Picciola Island
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Picciola Island
Lake County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.40	5.18	10.22	15.54	21.16
2	0.79	5.60	10.66	16.01	21.65
3	1.19	6.02	11.11	16.47	22.14
4	1.59	6.44	11.55	16.94	22.64
5	1.99	6.86	11.99	17.41	23.13
6	2.38	7.27	12.43	17.87	23.62
7	2.78	7.69	12.87	18.34	24.12
8	3.18	8.11	13.31	18.80	24.61
9	3.57	8.53	13.75	19.27	25.10
10	3.97	8.95	14.19	19.73	25.59
11	4.37	9.36	14.63	20.20	26.09
12	4.76	9.78	15.08	20.67	26.58

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	1.04	13.52	26.63	40.41	54.91
2	2.07	14.61	27.77	41.61	56.18
3	3.11	15.70	28.92	42.82	57.45
4	4.15	16.79	30.06	44.02	58.72
5	5.18	17.87	31.20	45.22	59.99
6	6.22	18.96	32.35	46.42	61.25
7	7.25	20.05	33.49	47.63	62.52
8	8.29	21.14	34.63	48.83	63.79
9	9.33	22.22	35.78	50.03	65.06
10	10.36	23.31	36.92	51.24	66.33
11	11.40	24.40	38.06	52.44	67.60
12	12.44	25.49	39.21	53.64	68.86

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer



Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Pomona Park
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	169	-
2			
3	Net Cost of Qualifying Assets (NU&U)	100,724	-
4	Net Cost of Qualifying Assets per ERC	597	-
5	Multiply By Rate of Return	8.11%	0.00%
6	Annual Return Per ERC	10.79	-
7			
8	Composite Depreciation Rate of Qualifying Assets	2.72%	0.00%
9			
10	Annual Depreciation Expense of Qllyg Asts (NU&U)	2,736	-
11	Annual Depr. Cost per ERC	16.22	-
12	Annual Reduction in Return per ERC	0.40	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	2,045	-
16	Annual Prop. Tax per ERC	12.13	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.22%	0.00%
24	Divided by Rate of Return	8.11%	0.00%
25	% of Equity in Return	76.72%	0.00%
26			
27	Effective Tax on Return	29.59%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.18%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Pomona Park
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	16.22	16.22	16.22	16.22	16.22
3	Unfunded Property Tax	12.13	12.13	12.13	12.13	12.13
4	Subtotal Unfunded Annual Expense	<u>28.35</u>	<u>28.35</u>	<u>28.35</u>	<u>28.35</u>	<u>28.35</u>
5						
6	Unfunded Expenses Prior Year	-	28.35	56.71	85.06	113.42
7	Total Unfunded Expenses	<u>28.35</u>	<u>56.71</u>	<u>85.06</u>	<u>113.42</u>	<u>141.77</u>
8						
9	Return on Expenses Current Year	0.65	0.65	0.65	0.65	0.65
10						
11	Return on Expenses Prior Year	-	0.65	1.31	1.96	2.62
12	Return on Plant Current Year	10.79	10.39	9.99	9.59	9.18
13	Earnings Prior Year	-	10.79	22.71	35.84	50.30
14	Compound Earnings from Prior Year	-	0.88	1.84	2.91	4.08
15	Total Compounded Earnings	<u>10.79</u>	<u>22.71</u>	<u>35.84</u>	<u>50.30</u>	<u>66.18</u>
16						
17	Earnings Expansion Factor for Tax	1.482	1.482	1.482	1.482	1.482
18						
19	Revenue Required to Fund Earnings	15.99	33.65	53.11	74.53	98.06
20	Revenue Required to Fund Expenses	28.35	56.71	85.06	113.42	141.77
21	Subtotal	<u>24.05</u>	<u>49.77</u>	<u>77.30</u>	<u>106.78</u>	<u>138.37</u>
22	Divided by Factor for Regulatory Assessment Fee	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>
23	ERC Carrying Cost for 1 Year	<u>25.18</u>	<u>52.12</u>	<u>80.94</u>	<u>111.81</u>	<u>144.89</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	2.10	27.43	54.52	83.52	114.57
25	February	4.20	29.67	56.92	86.09	117.33
26	March	6.30	31.92	59.32	88.66	120.08
27	April	8.39	34.16	61.73	91.23	122.84
28	May	10.49	36.41	64.13	93.81	125.60
29	June	12.59	38.65	66.53	96.38	128.35
30	July	14.69	40.90	68.93	98.95	131.11
31	August	16.79	43.14	71.33	101.52	133.87
32	September	18.89	45.38	73.74	104.10	136.62
33	October	20.99	47.63	76.14	106.67	139.38
34	November	23.09	49.87	78.54	109.24	142.14
35	December	25.18	52.12	80.94	111.81	144.89

Allowance for Funds Prudently Invested - Lines - Sewer
 Calculation of Carrying Costs for Each ERC - cont'd
 Pomona Park
 Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)

**Pomona Park
Putnam County**

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	2.10	27.43	54.52	83.52	114.57
2	4.20	29.67	56.92	86.09	117.33
3	6.30	31.92	59.32	88.66	120.08
4	8.39	34.16	61.73	91.23	122.84
5	10.49	36.41	64.13	93.81	125.60
6	12.59	38.65	66.53	96.38	128.35
7	14.69	40.90	68.93	98.95	131.11
8	16.79	43.14	71.33	101.52	133.87
9	18.89	45.38	73.74	104.10	136.62
10	20.99	47.63	76.14	106.67	139.38
11	23.09	49.87	78.54	109.24	142.14
12	25.18	52.12	80.94	111.81	144.89

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	7.79	101.76	201.41	307.19	419.60
2	15.58	110.02	210.18	316.51	429.52
3	23.38	118.29	218.95	325.83	439.43
4	31.17	126.55	227.72	335.15	449.34
5	38.96	134.81	236.49	344.46	459.25
6	46.75	143.07	245.25	353.78	469.17
7	54.54	151.33	254.02	363.10	479.08
8	62.33	159.59	262.79	372.42	488.99
9	70.13	167.85	271.56	381.74	498.90
10	77.92	176.12	280.33	391.06	508.81
11	85.71	184.38	289.10	400.37	518.73
12	93.50	192.64	297.87	409.69	528.64

Type of Filing: New Service Availability Charges

Effective Date:

**Jack Lihvarcik
Chief Operating Officer**

Allowance for Funds Prudently Invested - Treatment
Calculation of Carrying Costs for Each ERC
Sebring Lakes
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	105	-
2			
3	Net Cost of Qualifying Assets (NU&U)	45,572	-
4	Net Cost of Qualifying Assets per ERC	432	-
5	Multiply By Rate of Return	7.02%	0.00%
6	Annual Return Per ERC	30.32	-
7			
8	Composite Depreciation Rate of Qualifying Assets	1.46%	0.00%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	666	-
11	Annual Depr. Cost per ERC	6.31	-
12	Annual Reduction in Return per ERC	0.44	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	716	-
16	Annual Prop. Tax per ERC	6.79	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	5.33%	0.00%
24	Divided by Rate of Return	7.02%	0.00%
25	% of Equity in Return	75.95%	0.00%
26			
27	Effective Tax on Return	29.30%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.70%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Treatment - Water
Calculation of Carrying Costs for Each ERC - cont'd
Sebring Lakes
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	6.31	6.31	6.31	6.31	6.31
3	Unfunded Property Tax	6.79	6.79	6.79	6.79	6.79
4	Subtotal Unfunded Annual Expense	<u>13.10</u>	<u>13.10</u>	<u>13.10</u>	<u>13.10</u>	<u>13.10</u>
5						
6	Unfunded Expenses Prior Year	-	13.10	26.20	39.30	52.40
7	Total Unfunded Expenses	<u>13.10</u>	<u>26.20</u>	<u>39.30</u>	<u>52.40</u>	<u>65.50</u>
8						
9	Return on Expenses Current Year	0.92	0.92	0.92	0.92	0.92
10						
11	Return on Expenses Prior Year	-	0.92	1.84	2.76	3.68
12	Return on Plant Current Year	30.32	29.88	29.43	28.99	28.55
13	Earnings Prior Year	-	30.32	63.24	98.95	137.65
14	Compound Earnings from Prior Year	-	2.13	4.44	6.94	9.66
15	Total Compounded Earnings	<u>30.32</u>	<u>63.24</u>	<u>98.95</u>	<u>137.65</u>	<u>179.53</u>
16						
17	Earnings Expansion Factor for Tax	1.477	1.477	1.477	1.477	1.477
18						
19	Revenue Required to Fund Earnings	44.78	93.41	146.15	203.30	265.16
20	Revenue Required to Fund Expenses	13.10	26.20	39.30	52.40	65.50
21	Subtotal	<u>57.88</u>	<u>119.61</u>	<u>185.45</u>	<u>255.70</u>	<u>330.66</u>
22	Divided by Factor for Regulatory Assessment Fee	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>
23	ERC Carrying Cost for 1 Year	<u>60.61</u>	<u>125.25</u>	<u>194.19</u>	<u>267.75</u>	<u>346.24</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	5.05	66.00	130.99	200.32	274.29
25	February	10.10	71.38	136.74	206.45	280.83
26	March	15.15	76.77	142.48	212.58	287.37
27	April	20.20	82.15	148.23	218.71	293.91
28	May	25.25	87.54	153.97	224.84	300.45
29	June	30.30	92.93	159.72	230.97	307.00
30	July	35.36	98.31	165.46	237.10	313.54
31	August	40.41	103.70	171.21	243.23	320.08
32	September	45.46	109.09	176.95	249.36	326.62
33	October	50.51	114.47	182.70	255.49	333.16
34	November	55.56	119.86	188.45	261.62	339.70
35	December	60.61	125.25	194.19	267.75	346.24

Allowance for Funds Prudently Invested - Treatment - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Sebring Lakes
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)Sebring Lakes
Highlands County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	5.05	66.00	130.99	200.32	274.29
2	10.10	71.38	136.74	206.45	280.83
3	15.15	76.77	142.48	212.58	287.37
4	20.20	82.15	148.23	218.71	293.91
5	25.25	87.54	153.97	224.84	300.45
6	30.30	92.93	159.72	230.97	307.00
7	35.36	98.31	165.46	237.10	313.54
8	40.41	103.70	171.21	243.23	320.08
9	45.46	109.09	176.95	249.36	326.62
10	50.51	114.47	182.70	255.49	333.16
11	55.56	119.86	188.45	261.62	339.70
12	60.61	125.25	194.19	267.75	346.24

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Silver Lake Oaks
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	16	18
2			
3	Net Cost of Qualifying Assets (NU&U)	544	2,168
4	Net Cost of Qualifying Assets per ERC	34	120
5	Multiply By Rate of Return	8.12%	8.05%
6	Annual Return Per ERC	2.76	9.70
7			
8	Composite Depreciation Rate of Qualifying Assets	4.42%	5.38%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	24	117
11	Annual Depr. Cost per ERC	1.50	6.48
12	Annual Reduction in Return per ERC	0.12	0.52
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	22	73
16	Annual Prop. Tax per ERC	1.39	4.05
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.20%	6.06%
24	Divided by Rate of Return	8.12%	8.05%
25	% of Equity in Return	76.37%	75.23%
26			
27	Effective Tax on Return	29.46%	29.02%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.96%	47.24%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Silver Lake Oaks
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	1.50	1.50	1.50	1.50	1.50
3	Unfunded Property Tax	1.39	1.39	1.39	1.39	1.39
4	Subtotal Unfunded Annual Expense	<u>2.90</u>	<u>2.90</u>	<u>2.90</u>	<u>2.90</u>	<u>2.90</u>
5						
6	Unfunded Expenses Prior Year	-	2.90	5.79	8.69	11.58
7	Total Unfunded Expenses	<u>2.90</u>	<u>5.79</u>	<u>8.69</u>	<u>11.58</u>	<u>14.48</u>
8						
9	Return on Expenses Current Year	0.24	0.24	0.24	0.24	0.24
10						
11	Return on Expenses Prior Year	-	0.24	0.47	0.71	0.94
12	Return on Plant Current Year	2.76	2.64	2.52	2.39	2.27
13	Earnings Prior Year	-	2.76	5.86	9.32	13.17
14	Compound Earnings from Prior Year	-	0.22	0.48	0.76	1.07
15	Total Compounded Earnings	<u>2.76</u>	<u>5.86</u>	<u>9.32</u>	<u>13.17</u>	<u>17.46</u>
16						
17	Earnings Expansion Factor for Tax	1.480	1.480	1.480	1.480	1.480
18						
19	Revenue Required to Fund Earnings	4.08	8.67	13.79	19.49	25.83
20	Revenue Required to Fund Expenses	2.90	5.79	8.69	11.58	14.48
21	Subtotal	<u>6.98</u>	<u>14.46</u>	<u>22.48</u>	<u>31.08</u>	<u>40.31</u>
22	Divided by Factor for Regulatory Assessment Fee	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>	<u>0.955</u>
23	ERC Carrying Cost for 1 Year	<u>7.31</u>	<u>15.14</u>	<u>23.53</u>	<u>32.54</u>	<u>42.21</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	0.61	7.96	15.84	24.29	33.35
25	February	1.22	8.61	16.54	25.04	34.15
26	March	1.83	9.27	17.24	25.79	34.96
27	April	2.44	9.92	17.94	26.54	35.76
28	May	3.05	10.57	18.64	27.29	36.57
29	June	3.65	11.22	19.34	28.04	37.37
30	July	4.26	11.88	20.04	28.79	38.18
31	August	4.87	12.53	20.74	29.54	38.98
32	September	5.48	13.18	21.44	30.29	39.79
33	October	6.09	13.83	22.14	31.04	40.60
34	November	6.70	14.49	22.83	31.79	41.40
35	December	7.31	15.14	23.53	32.54	42.21

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Silver Lake Oaks
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 3 of 3
Preparer: D Smeltzer

SEWER

Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	6.48	6.48	6.48	6.48	6.48
3	Unfunded Property Tax	4.05	4.05	4.05	4.05	4.05
4	Subtotal Unfunded Annual Expense	10.54	10.54	10.54	10.54	10.54
5						
6	Unfunded Expenses Prior Year	-	10.54	21.07	31.61	42.14
7	Total Unfunded Expenses	10.54	21.07	31.61	42.14	52.68
8						
9	Return on Expenses Current Year	0.85	0.85	0.85	0.85	0.85
10						
11	Return on Expenses Prior Year	-	0.85	1.70	2.54	3.39
12	Return on Plant Current Year	9.70	9.18	8.66	8.13	7.61
13	Earnings Prior Year	-	9.70	20.51	32.51	45.81
14	Compound Earnings from Prior Year	-	0.78	1.65	2.62	3.69
15	Total Compounded Earnings	9.70	20.51	32.51	45.81	60.50
16						
17	Earnings Expansion Factor for Tax	1.472	1.472	1.472	1.472	1.472
18						
19	Revenue Required to Fund Earnings	14.28	30.19	47.87	67.44	89.08
20	Revenue Required to Fund Expenses	10.54	21.07	31.61	42.14	52.68
21	Subtotal	24.82	51.27	79.48	109.59	141.76
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	25.99	53.68	83.22	114.75	148.44

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	2.17	28.30	56.14	85.85	117.56
25	February	4.33	30.60	58.61	88.48	120.37
26	March	6.50	32.91	61.07	91.10	123.17
27	April	8.66	35.22	63.53	93.73	125.98
28	May	10.83	37.53	65.99	96.36	128.79
29	June	12.99	39.83	68.45	98.99	131.59
30	July	15.16	42.14	70.91	101.61	134.40
31	August	17.33	44.45	73.37	104.24	137.21
32	September	19.49	46.76	75.84	106.87	140.01
33	October	21.66	49.07	78.30	109.50	142.82
34	November	23.82	51.37	80.76	112.12	145.63
35	December	25.99	53.68	83.22	114.75	148.44

Allowance for Funds Prudently Invested - Treatment
Calculation of Carrying Costs for Each ERC
Silver Lake Oaks
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	-	18
2			
3	Net Cost of Qualifying Assets (NU&U)	-	5,297
4	Net Cost of Qualifying Assets per ERC	-	294
5	Multiply By Rate of Return	8.12%	8.05%
6	Annual Return Per ERC	-	23.69
7			
8	Composite Depreciation Rate of Qualifying Assets	0.00%	27.14%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	-	1,438
11	Annual Depr. Cost per ERC	-	79.87
12	Annual Reduction in Return per ERC	-	6.43
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	-	178
16	Annual Prop. Tax per ERC	-	9.90
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.20%	6.06%
24	Divided by Rate of Return	8.12%	8.05%
25	% of Equity in Return	76.37%	75.23%
26			
27	Effective Tax on Return	29.46%	29.02%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.96%	47.24%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Treatment - Water
Calculation of Carrying Costs for Each ERC - cont'd
Silver Lake Oaks
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.480	1.480	1.480	1.480	1.480
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

Allowance for Funds Prudently Invested - Treatment - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Silver Lake Oaks
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	79.87	79.87	79.87	79.87	79.87
3	Unfunded Property Tax	9.90	9.90	9.90	9.90	9.90
4	Subtotal Unfunded Annual Expense	<u>89.77</u>	<u>89.77</u>	<u>89.77</u>	<u>89.77</u>	<u>89.77</u>
5						
6	Unfunded Expenses Prior Year	-	89.77	179.53	269.30	359.07
7	Total Unfunded Expenses	<u>89.77</u>	<u>179.53</u>	<u>269.30</u>	<u>359.07</u>	<u>448.83</u>
8						
9	Return on Expenses Current Year	7.23	7.23	7.23	7.23	7.23
10						
11	Return on Expenses Prior Year	-	7.23	14.45	21.68	28.90
12	Return on Plant Current Year	23.69	17.26	10.83	4.40	-
13	Earnings Prior Year	-	23.69	50.08	79.40	111.87
14	Compound Earnings from Prior Year	-	1.91	4.03	6.39	9.01
15	Total Compounded Earnings	<u>23.69</u>	<u>50.08</u>	<u>79.40</u>	<u>111.87</u>	<u>149.78</u>
16						
17	Earnings Expansion Factor for Tax	1.472	1.472	1.472	1.472	1.472
18						
19	Revenue Required to Fund Earnings	34.88	73.74	116.91	164.72	220.54
20	Revenue Required to Fund Expenses	89.77	179.53	269.30	359.07	448.83
21	Subtotal	<u>124.65</u>	<u>253.28</u>	<u>386.21</u>	<u>523.79</u>	<u>669.37</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>130.52</u>	<u>265.21</u>	<u>404.41</u>	<u>548.47</u>	<u>700.91</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	10.88	141.75	276.81	416.41	561.17
25	February	21.75	152.97	288.41	428.42	573.87
26	March	32.63	164.19	300.01	440.42	586.58
27	April	43.51	175.42	311.61	452.43	599.28
28	May	54.38	186.64	323.21	464.43	611.99
29	June	65.26	197.87	334.81	476.44	624.69
30	July	76.14	209.09	346.41	488.44	637.39
31	August	87.01	220.32	358.01	500.45	650.10
32	September	97.89	231.54	369.61	512.45	662.80
33	October	108.77	242.76	381.21	524.46	675.50
34	November	119.65	253.99	392.81	536.46	688.21
35	December	130.52	265.21	404.41	548.47	700.91

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)Silver Lake Oaks
Putnam County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.61	7.96	15.84	24.29	33.35
2	1.22	8.61	16.54	25.04	34.15
3	1.83	9.27	17.24	25.79	34.96
4	2.44	9.92	17.94	26.54	35.76
5	3.05	10.57	18.64	27.29	36.57
6	3.65	11.22	19.34	28.04	37.37
7	4.26	11.88	20.04	28.79	38.18
8	4.87	12.53	20.74	29.54	38.98
9	5.48	13.18	21.44	30.29	39.79
10	6.09	13.83	22.14	31.04	40.60
11	6.70	14.49	22.83	31.79	41.40
12	7.31	15.14	23.53	32.54	42.21

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)

**Silver Lake Oaks
Putnam County**

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	2.17	28.30	56.14	85.85	117.56
2	4.33	30.60	58.61	88.48	120.37
3	6.50	32.91	61.07	91.10	123.17
4	8.66	35.22	63.53	93.73	125.98
5	10.83	37.53	65.99	96.36	128.79
6	12.99	39.83	68.45	98.99	131.59
7	15.16	42.14	70.91	101.61	134.40
8	17.33	44.45	73.37	104.24	137.21
9	19.49	46.76	75.84	106.87	140.01
10	21.66	49.07	78.30	109.50	142.82
11	23.82	51.37	80.76	112.12	145.63
12	25.99	53.68	83.22	114.75	148.44

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	10.88	141.75	276.81	416.41	561.17
2	21.75	152.97	288.41	428.42	573.87
3	32.63	164.19	300.01	440.42	586.58
4	43.51	175.42	311.61	452.43	599.28
5	54.38	186.64	323.21	464.43	611.99
6	65.26	197.87	334.81	476.44	624.69
7	76.14	209.09	346.41	488.44	637.39
8	87.01	220.32	358.01	500.45	650.10
9	97.89	231.54	369.61	512.45	662.80
10	108.77	242.76	381.21	524.46	675.50
11	119.65	253.99	392.81	536.46	688.21
12	130.52	265.21	404.41	548.47	700.91

Type of Filing: New Service Availability Charges

Effective Date:

**Jack Lihvarcik
Chief Operating Officer**

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
St. John's Highlands
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPL
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	44	-
2			
3	Net Cost of Qualifying Assets (NU&U)	1,067	-
4	Net Cost of Qualifying Assets per ERC	24	-
5	Multiply By Rate of Return	8.20%	0.00%
6	Annual Return Per ERC	1.97	-
7			
8	Composite Depreciation Rate of Qualifying Assets	4.76%	0.00%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	51	-
11	Annual Depr. Cost per ERC	1.14	-
12	Annual Reduction in Return per ERC	0.09	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	22	-
16	Annual Prop. Tax per ERC	0.50	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.25%	0.00%
24	Divided by Rate of Return	8.20%	0.00%
25	% of Equity in Return	76.27%	0.00%
26			
27	Effective Tax on Return	29.42%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.90%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
St. John's Highlands
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 2 of 3
 Preparer: D Smeltzer

WATER

Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	1.14	1.14	1.14	1.14	1.14
3	Unfunded Property Tax	0.50	0.50	0.50	0.50	0.50
4	Subtotal Unfunded Annual Expense	1.64	1.64	1.64	1.64	1.64
5						
6	Unfunded Expenses Prior Year	-	1.64	3.28	4.92	6.55
7	Total Unfunded Expenses	1.64	3.28	4.92	6.55	8.19
8						
9	Return on Expenses Current Year	0.13	0.13	0.13	0.13	0.13
10						
11	Return on Expenses Prior Year	-	0.13	0.27	0.40	0.54
12	Return on Plant Current Year	1.97	1.88	1.78	1.69	1.60
13	Earnings Prior Year	-	1.97	4.14	6.53	9.16
14	Compound Earnings from Prior Year	-	0.16	0.34	0.54	0.75
15	Total Compounded Earnings	1.97	4.14	6.53	9.16	12.05
16						
17	Earnings Expansion Factor for Tax	1.479	1.479	1.479	1.479	1.479
18						
19	Revenue Required to Fund Earnings	2.91	6.13	9.66	13.55	17.81
20	Revenue Required to Fund Expenses	1.64	3.28	4.92	6.55	8.19
21	Subtotal	4.55	9.40	14.58	20.10	26.01
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	4.77	9.85	15.27	21.05	27.23

Calculation of Carrying Cost Per ERC Per Month:

	2008	2009	2010	2011	2012
24 January	0.40	5.19	10.30	15.75	21.57
25 February	0.79	5.61	10.75	16.23	22.08
26 March	1.19	6.04	11.20	16.71	22.60
27 April	1.59	6.46	11.65	17.19	23.11
28 May	1.99	6.88	12.10	17.68	23.63
29 June	2.38	7.31	12.56	18.16	24.14
30 July	2.78	7.73	13.01	18.64	24.66
31 August	3.18	8.15	13.46	19.12	25.17
32 September	3.58	8.58	13.91	19.60	25.69
33 October	3.97	9.00	14.36	20.09	26.20
34 November	4.37	9.42	14.81	20.57	26.72
35 December	4.77	9.85	15.27	21.05	27.23

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
St. John's Highlands
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****St. John's Highlands
Putnam County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.40	5.19	10.30	15.75	21.57
2	0.79	5.61	10.75	16.23	22.08
3	1.19	6.04	11.20	16.71	22.60
4	1.59	6.46	11.65	17.19	23.11
5	1.99	6.88	12.10	17.68	23.63
6	2.38	7.31	12.56	18.16	24.14
7	2.78	7.73	13.01	18.64	24.66
8	3.18	8.15	13.46	19.12	25.17
9	3.58	8.58	13.91	19.60	25.69
10	3.97	9.00	14.36	20.09	26.20
11	4.37	9.42	14.81	20.57	26.72
12	4.77	9.85	15.27	21.05	27.23

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges**Effective Date:****Jack Lihvarcik
Chief Operating Officer**

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Stone Mountain
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	9	-
2			
3	Net Cost of Qualifying Assets (NU&U)	450	-
4	Net Cost of Qualifying Assets per ERC	48	-
5	Multiply By Rate of Return	8.00%	0.00%
6	Annual Return Per ERC	3.83	-
7			
8	Composite Depreciation Rate of Qualifying Assets	4.21%	0.00%
9			
10	Annual Depreciation Expense of Qlifyg Asts (NU&U)	19	-
11	Annual Depr. Cost per ERC	2.01	-
12	Annual Reduction in Return per ERC	0.16	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	8	-
16	Annual Prop. Tax per ERC	0.83	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.00%	0.00%
24	Divided by Rate of Return	8.00%	0.00%
25	% of Equity in Return	74.99%	0.00%
26			
27	Effective Tax on Return	28.93%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.10%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Stone Mountain
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	2.01	2.01	2.01	2.01	2.01
3	Unfunded Property Tax	0.83	0.83	0.83	0.83	0.83
4	Subtotal Unfunded Annual Expense	2.85	2.85	2.85	2.85	2.85
5						
6	Unfunded Expenses Prior Year	-	2.85	5.69	8.54	11.38
7	Total Unfunded Expenses	2.85	5.69	8.54	11.38	14.23
8						
9	Return on Expenses Current Year	0.23	0.23	0.23	0.23	0.23
10						
11	Return on Expenses Prior Year	-	0.23	0.46	0.68	0.91
12	Return on Plant Current Year	3.83	3.67	3.51	3.35	3.19
13	Earnings Prior Year	-	3.83	8.03	12.64	17.68
14	Compound Earnings from Prior Year	-	0.31	0.64	1.01	1.42
15	Total Compounded Earnings	3.83	8.03	12.64	17.68	23.19
16						
17	Earnings Expansion Factor for Tax	1.471	1.471	1.471	1.471	1.471
18						
19	Revenue Required to Fund Earnings	5.63	11.82	18.59	26.01	34.12
20	Revenue Required to Fund Expenses	2.85	5.69	8.54	11.38	14.23
21	Subtotal	8.48	17.51	27.13	37.39	48.35
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	8.88	18.33	28.41	39.16	50.63

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	0.74	9.67	19.17	29.30	40.11
25	February	1.48	10.45	20.01	30.20	41.07
26	March	2.22	11.24	20.85	31.10	42.02
27	April	2.96	12.03	21.69	31.99	42.98
28	May	3.70	12.82	22.53	32.89	43.93
29	June	4.44	13.61	23.37	33.78	44.89
30	July	5.18	14.39	24.21	34.68	45.85
31	August	5.92	15.18	25.05	35.57	46.80
32	September	6.66	15.97	25.89	36.47	47.76
33	October	7.40	16.76	26.73	37.36	48.71
34	November	8.14	17.55	27.57	38.26	49.67
35	December	8.88	18.33	28.41	39.16	50.63

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Stone Mountain
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Stone Mountain
Lake County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.74	9.67	19.17	29.30	40.11
2	1.48	10.45	20.01	30.20	41.07
3	2.22	11.24	20.85	31.10	42.02
4	2.96	12.03	21.69	31.99	42.98
5	3.70	12.82	22.53	32.89	43.93
6	4.44	13.61	23.37	33.78	44.89
7	5.18	14.39	24.21	34.68	45.85
8	5.92	15.18	25.05	35.57	46.80
9	6.66	15.97	25.89	36.47	47.76
10	7.40	16.76	26.73	37.36	48.71
11	8.14	17.55	27.57	38.26	49.67
12	8.88	18.33	28.41	39.16	50.63

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Sunny Hills
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	4,841	355
2			
3	Net Cost of Qualifying Assets (NU&U)	926,633	53,397
4	Net Cost of Qualifying Assets per ERC	191	151
5	Multiply By Rate of Return	7.53%	8.03%
6	Annual Return Per ERC	14.42	12.09
7			
8	Composite Depreciation Rate of Qualifying Assets	3.85%	8.15%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	35,699	4,351
11	Annual Depr. Cost per ERC	7.38	12.27
12	Annual Reduction in Return per ERC	0.56	0.99
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	21,819	1,752
16	Annual Prop. Tax per ERC	4.51	4.94
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	5.71%	6.11%
24	Divided by Rate of Return	7.53%	8.03%
25	% of Equity in Return	75.81%	76.07%
26			
27	Effective Tax on Return	29.24%	29.34%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.61%	47.77%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Sunny Hills
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

WATER						
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	7.38	7.38	7.38	7.38	7.38
3	Unfunded Property Tax	4.51	4.51	4.51	4.51	4.51
4	Subtotal Unfunded Annual Expense	<u>11.88</u>	<u>11.88</u>	<u>11.88</u>	<u>11.88</u>	<u>11.88</u>
5						
6	Unfunded Expenses Prior Year	-	11.88	23.77	35.65	47.53
7	Total Unfunded Expenses	<u>11.88</u>	<u>23.77</u>	<u>35.65</u>	<u>47.53</u>	<u>59.41</u>
8						
9	Return on Expenses Current Year	0.90	0.90	0.90	0.90	0.90
10						
11	Return on Expenses Prior Year	-	0.90	1.79	2.69	3.58
12	Return on Plant Current Year	14.42	13.86	13.31	12.75	12.20
13	Earnings Prior Year	-	14.42	30.27	47.64	66.67
14	Compound Earnings from Prior Year	-	1.09	2.28	3.59	5.02
15	Total Compounded Earnings	<u>14.42</u>	<u>30.27</u>	<u>47.64</u>	<u>66.67</u>	<u>87.47</u>
16						
17	Earnings Expansion Factor for Tax	1.476	1.476	1.476	1.476	1.476
18						
19	Revenue Required to Fund Earnings	21.28	44.67	70.33	98.41	129.12
20	Revenue Required to Fund Expenses	11.88	23.77	35.65	47.53	59.41
21	Subtotal	<u>33.17</u>	<u>68.44</u>	<u>105.98</u>	<u>145.94</u>	<u>188.53</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>34.73</u>	<u>71.67</u>	<u>110.97</u>	<u>152.82</u>	<u>197.41</u>

Calculation of Carrying Cost Per ERC Per Month:						
		2008	2009	2010	2011	2012
24	January	2.89	37.81	74.94	114.46	156.54
25	February	5.79	40.89	78.22	117.94	160.25
26	March	8.68	43.96	81.49	121.43	163.97
27	April	11.58	47.04	84.77	124.92	167.69
28	May	14.47	50.12	88.04	128.41	171.40
29	June	17.37	53.20	91.32	131.90	175.12
30	July	20.26	56.28	94.59	135.38	178.83
31	August	23.15	59.35	97.87	138.87	182.55
32	September	26.05	62.43	101.14	142.36	186.27
33	October	28.94	65.51	104.42	145.85	189.98
34	November	31.84	68.59	107.69	149.33	193.70
35	December	34.73	71.67	110.97	152.82	197.41

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Sunny Hills
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	12.27	12.27	12.27	12.27	12.27
3	Unfunded Property Tax	4.94	4.94	4.94	4.94	4.94
4	Subtotal Unfunded Annual Expense	<u>17.21</u>	<u>17.21</u>	<u>17.21</u>	<u>17.21</u>	<u>17.21</u>
5						
6	Unfunded Expenses Prior Year	-	17.21	34.42	51.63	68.84
7	Total Unfunded Expenses	<u>17.21</u>	<u>34.42</u>	<u>51.63</u>	<u>68.84</u>	<u>86.04</u>
8						
9	Return on Expenses Current Year	1.38	1.38	1.38	1.38	1.38
10						
11	Return on Expenses Prior Year	-	1.38	2.76	4.15	5.53
12	Return on Plant Current Year	12.09	11.10	10.12	9.13	8.15
13	Earnings Prior Year	-	12.09	25.55	40.48	57.01
14	Compound Earnings from Prior Year	-	0.97	2.05	3.25	4.58
15	Total Compounded Earnings	<u>12.09</u>	<u>25.55</u>	<u>40.48</u>	<u>57.01</u>	<u>75.27</u>
16						
17	Earnings Expansion Factor for Tax	1.478	1.478	1.478	1.478	1.478
18						
19	Revenue Required to Fund Earnings	17.87	37.75	59.82	84.25	111.23
20	Revenue Required to Fund Expenses	17.21	34.42	51.63	68.84	86.04
21	Subtotal	<u>35.07</u>	<u>72.17</u>	<u>111.45</u>	<u>153.09</u>	<u>197.27</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>36.73</u>	<u>75.57</u>	<u>116.70</u>	<u>160.30</u>	<u>206.57</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	3.06	39.96	79.00	120.33	164.16
25	February	6.12	43.20	82.43	123.97	168.01
26	March	9.18	46.44	85.85	127.60	171.87
27	April	12.24	49.67	89.28	131.23	175.72
28	May	15.30	52.91	92.71	134.87	179.58
29	June	18.36	56.15	96.14	138.50	183.43
30	July	21.42	59.39	99.56	142.13	187.29
31	August	24.48	62.62	102.99	145.77	191.15
32	September	27.55	65.86	106.42	149.40	195.00
33	October	30.61	69.10	109.85	153.03	198.86
34	November	33.67	72.33	113.27	156.67	202.71
35	December	36.73	75.57	116.70	160.30	206.57

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Sunny Hills
Washington County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	2.89	37.81	74.94	114.46	156.54
2	5.79	40.89	78.22	117.94	160.25
3	8.68	43.96	81.49	121.43	163.97
4	11.58	47.04	84.77	124.92	167.69
5	14.47	50.12	88.04	128.41	171.40
6	17.37	53.20	91.32	131.90	175.12
7	20.26	56.28	94.59	135.38	178.83
8	23.15	59.35	97.87	138.87	182.55
9	26.05	62.43	101.14	142.36	186.27
10	28.94	65.51	104.42	145.85	189.98
11	31.84	68.59	107.69	149.33	193.70
12	34.73	71.67	110.97	152.82	197.41

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)Sunny Hills
Washington County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	3.06	39.96	79.00	120.33	164.16
2	6.12	43.20	82.43	123.97	168.01
3	9.18	46.44	85.85	127.60	171.87
4	12.24	49.67	89.28	131.23	175.72
5	15.30	52.91	92.71	134.87	179.58
6	18.36	56.15	96.14	138.50	183.43
7	21.42	59.39	99.56	142.13	187.29
8	24.48	62.62	102.99	145.77	191.15
9	27.55	65.86	106.42	149.40	195.00
10	30.61	69.10	109.85	153.03	198.86
11	33.67	72.33	113.27	156.67	202.71
12	36.73	75.57	116.70	160.30	206.57

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer



Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Tangerine
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	217	-
2			
3	Net Cost of Qualifying Assets (NU&U)	59,478	-
4	Net Cost of Qualifying Assets per ERC	274	-
5	Multiply By Rate of Return	8.20%	0.00%
6	Annual Return Per ERC	22.47	-
7			
8	Composite Depreciation Rate of Qualifying Assets	2.87%	0.00%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	1,708	-
11	Annual Depr. Cost per ERC	7.87	-
12	Annual Reduction in Return per ERC	0.65	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	588	-
16	Annual Prop. Tax per ERC	2.71	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.24%	0.00%
24	Divided by Rate of Return	8.20%	0.00%
25	% of Equity in Return	76.09%	0.00%
26			
27	Effective Tax on Return	29.35%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.79%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Tangerine
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	7.87	7.87	7.87	7.87	7.87
3	Unfunded Property Tax	2.71	2.71	2.71	2.71	2.71
4	Subtotal Unfunded Annual Expense	10.58	10.58	10.58	10.58	10.58
5						
6	Unfunded Expenses Prior Year	-	10.58	21.15	31.73	42.31
7	Total Unfunded Expenses	10.58	21.15	31.73	42.31	52.88
8						
9	Return on Expenses Current Year	0.87	0.87	0.87	0.87	0.87
10						
11	Return on Expenses Prior Year	-	0.87	1.73	2.60	3.47
12	Return on Plant Current Year	22.47	21.82	21.18	20.53	19.89
13	Earnings Prior Year	-	22.47	47.00	73.77	102.96
14	Compound Earnings from Prior Year	-	1.84	3.85	6.05	8.44
15	Total Compounded Earnings	22.47	47.00	73.77	102.96	134.76
16						
17	Earnings Expansion Factor for Tax	1.478	1.478	1.478	1.478	1.478
18						
19	Revenue Required to Fund Earnings	33.21	69.47	109.03	152.16	199.16
20	Revenue Required to Fund Expenses	10.58	21.15	31.73	42.31	52.88
21	Subtotal	43.78	90.62	140.76	194.47	252.04
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	45.85	94.89	147.39	203.63	263.92

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	3.82	49.93	99.27	152.08	208.66
25	February	7.64	54.02	103.64	156.76	213.68
26	March	11.46	58.11	108.02	161.45	218.70
27	April	15.28	62.20	112.39	166.14	223.73
28	May	19.10	66.28	116.77	170.82	228.75
29	June	22.92	70.37	121.14	175.51	233.78
30	July	26.74	74.46	125.52	180.20	238.80
31	August	30.57	78.54	129.89	184.88	243.82
32	September	34.39	82.63	134.27	189.57	248.85
33	October	38.21	86.72	138.64	194.26	253.87
34	November	42.03	90.80	143.02	198.95	258.90
35	December	45.85	94.89	147.39	203.63	263.92

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Tangerine
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission
 Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)**Tangerine
Orange County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	3.82	49.93	99.27	152.08	208.66
2	7.64	54.02	103.64	156.76	213.68
3	11.46	58.11	108.02	161.45	218.70
4	15.28	62.20	112.39	166.14	223.73
5	19.10	66.28	116.77	170.82	228.75
6	22.92	70.37	121.14	175.51	233.78
7	26.74	74.46	125.52	180.20	238.80
8	30.57	78.54	129.89	184.88	243.82
9	34.39	82.63	134.27	189.57	248.85
10	38.21	86.72	138.64	194.26	253.87
11	42.03	90.80	143.02	198.95	258.90
12	45.85	94.89	147.39	203.63	263.92

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
The Woods
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	76	52
2			
3	Net Cost of Qualifying Assets (NU&U)	2,942	3,651
4	Net Cost of Qualifying Assets per ERC	39	70
5	Multiply By Rate of Return	7.87%	7.97%
6	Annual Return Per ERC	3.06	5.60
7			
8	Composite Depreciation Rate of Qualifying Assets	1.22%	2.12%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	36	77
11	Annual Depr. Cost per ERC	0.47	1.49
12	Annual Reduction in Return per ERC	0.04	0.12
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	23	4
16	Annual Prop. Tax per ERC	0.30	0.08
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.04%	6.11%
24	Divided by Rate of Return	7.87%	7.97%
25	% of Equity in Return	76.76%	76.71%
26			
27	Effective Tax on Return	29.61%	29.59%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.20%	48.17%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
The Woods
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	0.47	0.47	0.47	0.47	0.47
3	Unfunded Property Tax	0.30	0.30	0.30	0.30	0.30
4	Subtotal Unfunded Annual Expense	0.78	0.78	0.78	0.78	0.78
5						
6	Unfunded Expenses Prior Year	-	0.78	1.55	2.33	3.11
7	Total Unfunded Expenses	0.78	1.55	2.33	3.11	3.89
8						
9	Return on Expenses Current Year	0.06	0.06	0.06	0.06	0.06
10						
11	Return on Expenses Prior Year	-	0.06	0.12	0.18	0.24
12	Return on Plant Current Year	3.06	3.02	2.99	2.95	2.91
13	Earnings Prior Year	-	3.06	6.38	9.99	13.91
14	Compound Earnings from Prior Year	-	0.24	0.50	0.79	1.09
15	Total Compounded Earnings	3.06	6.38	9.99	13.91	18.16
16						
17	Earnings Expansion Factor for Tax	1.482	1.482	1.482	1.482	1.482
18						
19	Revenue Required to Fund Earnings	4.53	9.46	14.81	20.62	26.92
20	Revenue Required to Fund Expenses	0.78	1.55	2.33	3.11	3.89
21	Subtotal	5.31	11.02	17.14	23.73	30.80
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	5.56	11.54	17.95	24.85	32.26

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	0.46	6.06	12.07	18.53	25.46
25	February	0.93	6.56	12.61	19.10	26.08
26	March	1.39	7.06	13.14	19.68	26.70
27	April	1.85	7.55	13.67	20.25	27.32
28	May	2.32	8.05	14.21	20.82	27.93
29	June	2.78	8.55	14.74	21.40	28.55
30	July	3.24	9.05	15.28	21.97	29.17
31	August	3.71	9.54	15.81	22.55	29.79
32	September	4.17	10.04	16.35	23.12	30.40
33	October	4.64	10.54	16.88	23.70	31.02
34	November	5.10	11.04	17.42	24.27	31.64
35	December	5.56	11.54	17.95	24.85	32.26

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
The Woods
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 3 of 3
Preparer: D Smeltzer

SEWER						
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	1.49	1.49	1.49	1.49	1.49
3	Unfunded Property Tax	0.08	0.08	0.08	0.08	0.08
4	Subtotal Unfunded Annual Expense	1.57	1.57	1.57	1.57	1.57
5						
6	Unfunded Expenses Prior Year	-	1.57	3.15	4.72	6.29
7	Total Unfunded Expenses	1.57	3.15	4.72	6.29	7.87
8						
9	Return on Expenses Current Year	0.13	0.13	0.13	0.13	0.13
10						
11	Return on Expenses Prior Year	-	0.13	0.25	0.38	0.50
12	Return on Plant Current Year	5.60	5.48	5.36	5.24	5.12
13	Earnings Prior Year	-	5.60	11.65	18.20	25.27
14	Compound Earnings from Prior Year	-	0.45	0.93	1.45	2.01
15	Total Compounded Earnings	5.60	11.65	18.20	25.27	32.91
16						
17	Earnings Expansion Factor for Tax	1.482	1.482	1.482	1.482	1.482
18						
19	Revenue Required to Fund Earnings	8.30	17.27	26.96	37.44	48.76
20	Revenue Required to Fund Expenses	1.57	3.15	4.72	6.29	7.87
21	Subtotal	9.87	20.41	31.68	43.73	56.63
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	10.34	21.38	33.17	45.79	59.29

Calculation of Carrying Cost Per ERC Per Month:						
		2008	2009	2010	2011	2012
24	January	0.86	11.26	22.36	34.23	46.92
25	February	1.72	12.18	23.34	35.28	48.04
26	March	2.58	13.10	24.33	36.33	49.17
27	April	3.45	14.02	25.31	37.38	50.29
28	May	4.31	14.94	26.29	38.43	51.42
29	June	5.17	15.86	27.27	39.48	52.54
30	July	6.03	16.78	28.26	40.53	53.67
31	August	6.89	17.70	29.24	41.59	54.79
32	September	7.75	18.62	30.22	42.64	55.92
33	October	8.61	19.54	31.21	43.69	57.04
34	November	9.48	20.46	32.19	44.74	58.17
35	December	10.34	21.38	33.17	45.79	59.29

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****The Woods
Sumter County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.46	6.06	12.07	18.53	25.46
2	0.93	6.56	12.61	19.10	26.08
3	1.39	7.06	13.14	19.68	26.70
4	1.85	7.55	13.67	20.25	27.32
5	2.32	8.05	14.21	20.82	27.93
6	2.78	8.55	14.74	21.40	28.55
7	3.24	9.05	15.28	21.97	29.17
8	3.71	9.54	15.81	22.55	29.79
9	4.17	10.04	16.35	23.12	30.40
10	4.64	10.54	16.88	23.70	31.02
11	5.10	11.04	17.42	24.27	31.64
12	5.56	11.54	17.95	24.85	32.26

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)The Woods
Sumter County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.86	11.26	22.36	34.23	46.92
2	1.72	12.18	23.34	35.28	48.04
3	2.58	13.10	24.33	36.33	49.17
4	3.45	14.02	25.31	37.38	50.29
5	4.31	14.94	26.29	38.43	51.42
6	5.17	15.86	27.27	39.48	52.54
7	6.03	16.78	28.26	40.53	53.67
8	6.89	17.70	29.24	41.59	54.79
9	7.75	18.62	30.22	42.64	55.92
10	8.61	19.54	31.21	43.69	57.04
11	9.48	20.46	32.19	44.74	58.17
12	10.34	21.38	33.17	45.79	59.29

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

Allowance for Funds Prudently Invested - Treatment
Calculation of Carrying Costs for Each ERC
Venetian Village
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	70	-
2			
3	Net Cost of Qualifying Assets (NU&U)	2,691	-
4	Net Cost of Qualifying Assets per ERC	38	-
5	Multiply By Rate of Return	8.11%	8.12%
6	Annual Return Per ERC	3.12	-
7			
8	Composite Depreciation Rate of Qualifying Assets	7.38%	0.00%
9			
10	Annual Depreciation Expense of Qllyg Asts (NU&U)	199	-
11	Annual Depr. Cost per ERC	2.84	-
12	Annual Reduction in Return per ERC	0.23	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	29	-
16	Annual Prop. Tax per ERC	0.42	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.20%	6.22%
24	Divided by Rate of Return	8.11%	8.12%
25	% of Equity in Return	76.40%	76.51%
26			
27	Effective Tax on Return	29.47%	29.52%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	47.98%	48.05%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Treatment - Water
Calculation of Carrying Costs for Each ERC - cont'd
Venetian Village
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	2.84	2.84	2.84	2.84	2.84
3	Unfunded Property Tax	0.42	0.42	0.42	0.42	0.42
4	Subtotal Unfunded Annual Expense	<u>3.25</u>	<u>3.25</u>	<u>3.25</u>	<u>3.25</u>	<u>3.25</u>
5						
6	Unfunded Expenses Prior Year	-	3.25	6.51	9.76	13.02
7	Total Unfunded Expenses	<u>3.25</u>	<u>6.51</u>	<u>9.76</u>	<u>13.02</u>	<u>16.27</u>
8						
9	Return on Expenses Current Year	0.26	0.26	0.26	0.26	0.26
10						
11	Return on Expenses Prior Year	-	0.26	0.53	0.79	1.06
12	Return on Plant Current Year	3.12	2.89	2.66	2.43	2.20
13	Earnings Prior Year	-	3.12	6.53	10.24	14.30
14	Compound Earnings from Prior Year	-	0.25	0.53	0.83	1.16
15	Total Compounded Earnings	<u>3.12</u>	<u>6.53</u>	<u>10.24</u>	<u>14.30</u>	<u>18.71</u>
16						
17	Earnings Expansion Factor for Tax	1.480	1.480	1.480	1.480	1.480
18						
19	Revenue Required to Fund Earnings	4.62	9.66	15.16	21.16	27.69
20	Revenue Required to Fund Expenses	3.25	6.51	9.76	13.02	16.27
21	Subtotal	<u>7.87</u>	<u>16.17</u>	<u>24.92</u>	<u>34.17</u>	<u>43.96</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>8.24</u>	<u>16.93</u>	<u>26.09</u>	<u>35.78</u>	<u>46.03</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	0.69	8.97	17.69	26.90	36.64
25	February	1.37	9.69	18.46	27.71	37.49
26	March	2.06	10.41	19.22	28.52	38.34
27	April	2.75	11.14	19.98	29.32	39.20
28	May	3.43	11.86	20.75	30.13	40.05
29	June	4.12	12.58	21.51	30.94	40.91
30	July	4.81	13.31	22.28	31.75	41.76
31	August	5.49	14.03	23.04	32.55	42.61
32	September	6.18	14.76	23.80	33.36	43.47
33	October	6.87	15.48	24.57	34.17	44.32
34	November	7.55	16.20	25.33	34.97	45.18
35	December	8.24	16.93	26.09	35.78	46.03

Allowance for Funds Prudently Invested - Treatment - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Venetian Village
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.481	1.481	1.481	1.481	1.481
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)Venetian Village
Lake County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.69	8.97	17.69	26.90	36.64
2	1.37	9.69	18.46	27.71	37.49
3	2.06	10.41	19.22	28.52	38.34
4	2.75	11.14	19.98	29.32	39.20
5	3.43	11.86	20.75	30.13	40.05
6	4.12	12.58	21.51	30.94	40.91
7	4.81	13.31	22.28	31.75	41.76
8	5.49	14.03	23.04	32.55	42.61
9	6.18	14.76	23.80	33.36	43.47
10	6.87	15.48	24.57	34.17	44.32
11	7.55	16.20	25.33	34.97	45.18
12	8.24	16.93	26.09	35.78	46.03

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Village Water
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	-	36
2			
3	Net Cost of Qualifying Assets (NU&U)	-	7,398
4	Net Cost of Qualifying Assets per ERC	-	205
5	Multiply By Rate of Return	8.16%	8.29%
6	Annual Return Per ERC	-	17.04
7			
8	Composite Depreciation Rate of Qualifying Assets	0.00%	4.46%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	-	330
11	Annual Depr. Cost per ERC	-	9.16
12	Annual Reduction in Return per ERC	-	0.76
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	-	861
16	Annual Prop. Tax per ERC	-	23.91
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.25%	6.37%
24	Divided by Rate of Return	8.16%	8.29%
25	% of Equity in Return	76.52%	76.83%
26			
27	Effective Tax on Return	29.52%	29.64%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.06%	48.25%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Village Water
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 2 of 3
 Preparer: D Smeltzer

		WATER				
	(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.481	1.481	1.481	1.481	1.481
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Village Water
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 3 of 3
Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	9.16	9.16	9.16	9.16	9.16
3	Unfunded Property Tax	23.91	23.91	23.91	23.91	23.91
4	Subtotal Unfunded Annual Expense	<u>33.07</u>	<u>33.07</u>	<u>33.07</u>	<u>33.07</u>	<u>33.07</u>
5						
6	Unfunded Expenses Prior Year	-	33.07	66.14	99.21	132.28
7	Total Unfunded Expenses	<u>33.07</u>	<u>66.14</u>	<u>99.21</u>	<u>132.28</u>	<u>165.35</u>
8						
9	Return on Expenses Current Year	2.74	2.74	2.74	2.74	2.74
10						
11	Return on Expenses Prior Year	-	2.74	5.48	8.23	10.97
12	Return on Plant Current Year	17.04	16.28	15.52	14.76	14.00
13	Earnings Prior Year	-	17.04	37.47	61.59	89.68
14	Compound Earnings from Prior Year	-	1.41	3.11	5.11	7.44
15	Total Compounded Earnings	<u>17.04</u>	<u>37.47</u>	<u>61.59</u>	<u>89.68</u>	<u>122.08</u>
16						
17	Earnings Expansion Factor for Tax	1.483	1.483	1.483	1.483	1.483
18						
19	Revenue Required to Fund Earnings	25.26	55.56	91.30	132.95	180.99
20	Revenue Required to Fund Expenses	33.07	66.14	99.21	132.28	165.35
21	Subtotal	<u>58.33</u>	<u>121.70</u>	<u>190.51</u>	<u>265.22</u>	<u>346.33</u>
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	<u>61.08</u>	<u>127.43</u>	<u>199.49</u>	<u>277.72</u>	<u>362.65</u>

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	5.09	66.61	133.43	206.01	284.80
25	February	10.18	72.14	139.44	212.53	291.88
26	March	15.27	77.67	145.44	219.04	298.95
27	April	20.36	83.20	151.45	225.56	306.03
28	May	25.45	88.73	157.45	232.08	313.11
29	June	30.54	94.25	163.46	238.60	320.19
30	July	35.63	99.78	169.46	245.12	327.26
31	August	40.72	105.31	175.47	251.64	334.34
32	September	45.81	110.84	181.47	258.16	341.42
33	October	50.90	116.37	187.48	264.68	348.50
34	November	55.99	121.90	193.48	271.20	355.57
35	December	61.08	127.43	199.49	277.72	362.65

Allowance for Funds Prudently Invested - Treatment
Calculation of Carrying Costs for Each ERC
Village Water
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	-	36
2			
3	Net Cost of Qualifying Assets (NU&U)	-	198,206
4	Net Cost of Qualifying Assets per ERC	-	5,506
5	Multiply By Rate of Return	8.16%	8.29%
6	Annual Return Per ERC	-	456.47
7			
8	Composite Depreciation Rate of Qualifying Assets	0.00%	1.72%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	-	3,412
11	Annual Depr. Cost per ERC	-	94.77
12	Annual Reduction in Return per ERC	-	7.86
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	-	5,762
16	Annual Prop. Tax per ERC	-	160.05
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.25%	6.37%
24	Divided by Rate of Return	8.16%	8.29%
25	% of Equity in Return	76.52%	76.83%
26			
27	Effective Tax on Return	29.52%	29.64%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.06%	48.25%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Treatment - Water
Calculation of Carrying Costs for Each ERC - cont'd
Village Water
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
 Page: 2 of 3
 Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.481	1.481	1.481	1.481	1.481
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

Allowance for Funds Prudently Invested - Treatment - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Village Water
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 3 of 3
Preparer: D Smeltzer

SEWER						
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	94.77	94.77	94.77	94.77	94.77
3	Unfunded Property Tax	160.05	160.05	160.05	160.05	160.05
4	Subtotal Unfunded Annual Expense	254.82	254.82	254.82	254.82	254.82
5						
6	Unfunded Expenses Prior Year	-	254.82	509.65	764.47	1,019.30
7	Total Unfunded Expenses	254.82	509.65	764.47	1,019.30	1,274.12
8						
9	Return on Expenses Current Year	21.13	21.13	21.13	21.13	21.13
10						
11	Return on Expenses Prior Year	-	21.13	42.25	63.38	84.51
12	Return on Plant Current Year	456.47	448.61	440.75	432.90	425.04
13	Earnings Prior Year	-	456.47	964.06	1,526.99	2,149.88
14	Compound Earnings from Prior Year	-	37.85	79.93	126.60	178.24
15	Total Compounded Earnings	456.47	964.06	1,526.99	2,149.88	2,837.67
16						
17	Earnings Expansion Factor for Tax	1.483	1.483	1.483	1.483	1.483
18						
19	Revenue Required to Fund Earnings	676.72	1,429.21	2,263.77	3,187.20	4,206.85
20	Revenue Required to Fund Expenses	254.82	509.65	764.47	1,019.30	1,274.12
21	Subtotal	931.54	1,938.86	3,028.25	4,206.49	5,480.97
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	975.44	2,030.22	3,170.94	4,404.70	5,739.24

Calculation of Carrying Cost Per ERC Per Month:						
		2008	2009	2010	2011	2012
24	January	81.29	1,063.34	2,125.28	3,273.75	4,515.92
25	February	162.57	1,151.23	2,220.34	3,376.57	4,627.13
26	March	243.86	1,239.13	2,315.40	3,479.38	4,738.34
27	April	325.15	1,327.03	2,410.46	3,582.19	4,849.55
28	May	406.43	1,414.93	2,505.52	3,685.01	4,960.76
29	June	487.72	1,502.83	2,600.58	3,787.82	5,071.97
30	July	569.00	1,590.73	2,695.64	3,890.64	5,183.18
31	August	650.29	1,678.63	2,790.70	3,993.45	5,294.39
32	September	731.58	1,766.53	2,885.76	4,096.26	5,405.61
33	October	812.86	1,854.43	2,980.82	4,199.08	5,516.82
34	November	894.15	1,942.32	3,075.88	4,301.89	5,628.03
35	December	975.44	2,030.22	3,170.94	4,404.70	5,739.24

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)Village Water
Polk County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	5.09	66.61	133.43	206.01	284.80
2	10.18	72.14	139.44	212.53	291.88
3	15.27	77.67	145.44	219.04	298.95
4	20.36	83.20	151.45	225.56	306.03
5	25.45	88.73	157.45	232.08	313.11
6	30.54	94.25	163.46	238.60	320.19
7	35.63	99.78	169.46	245.12	327.26
8	40.72	105.31	175.47	251.64	334.34
9	45.81	110.84	181.47	258.16	341.42
10	50.90	116.37	187.48	264.68	348.50
11	55.99	121.90	193.48	271.20	355.57
12	61.08	127.43	199.49	277.72	362.65

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	81.29	1,063.34	2,125.28	3,273.75	4,515.92
2	162.57	1,151.23	2,220.34	3,376.57	4,627.13
3	243.86	1,239.13	2,315.40	3,479.38	4,738.34
4	325.15	1,327.03	2,410.46	3,582.19	4,849.55
5	406.43	1,414.93	2,505.52	3,685.01	4,960.76
6	487.72	1,502.83	2,600.58	3,787.82	5,071.97
7	569.00	1,590.73	2,695.64	3,890.64	5,183.18
8	650.29	1,678.63	2,790.70	3,993.45	5,294.39
9	731.58	1,766.53	2,885.76	4,096.26	5,405.61
10	812.86	1,854.43	2,980.82	4,199.08	5,516.82
11	894.15	1,942.32	3,075.88	4,301.89	5,628.03
12	975.44	2,030.22	3,170.94	4,404.70	5,739.24

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer

**Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Welaka/Saratoga Harbour
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007**

Florida Public Service Commission

Schedule: AFPLL
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	226	-
2			
3	Net Cost of Qualifying Assets (NU&U)	6,393	-
4	Net Cost of Qualifying Assets per ERC	28	-
5	Multiply By Rate of Return	8.12%	0.00%
6	Annual Return Per ERC	2.29	-
7			
8	Composite Depreciation Rate of Qualifying Assets	4.67%	0.00%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	298	-
11	Annual Depr. Cost per ERC	1.32	-
12	Annual Reduction in Return per ERC	0.11	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	165	-
16	Annual Prop. Tax per ERC	0.73	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.21%	0.00%
24	Divided by Rate of Return	8.12%	0.00%
25	% of Equity in Return	76.52%	0.00%
26			
27	Effective Tax on Return	29.52%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.05%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Welaka/Saratoga Harbour
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	1.32	1.32	1.32	1.32	1.32
3	Unfunded Property Tax	0.73	0.73	0.73	0.73	0.73
4	Subtotal Unfunded Annual Expense	2.05	2.05	2.05	2.05	2.05
5						
6	Unfunded Expenses Prior Year	-	2.05	4.09	6.14	8.19
7	Total Unfunded Expenses	2.05	4.09	6.14	8.19	10.23
8						
9	Return on Expenses Current Year	0.17	0.17	0.17	0.17	0.17
10						
11	Return on Expenses Prior Year	-	0.17	0.33	0.50	0.66
12	Return on Plant Current Year	2.29	2.18	2.08	1.97	1.86
13	Earnings Prior Year	-	2.29	4.83	7.63	10.71
14	Compound Earnings from Prior Year	-	0.19	0.39	0.62	0.87
15	Total Compounded Earnings	2.29	4.83	7.63	10.71	14.11
16						
17	Earnings Expansion Factor for Tax	1.481	1.481	1.481	1.481	1.481
18						
19	Revenue Required to Fund Earnings	3.39	7.14	11.29	15.86	20.89
20	Revenue Required to Fund Expenses	2.05	4.09	6.14	8.19	10.23
21	Subtotal	5.44	11.24	17.43	24.05	31.12
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	5.69	11.77	18.25	25.18	32.59

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	0.47	6.20	12.31	18.83	25.80
25	February	0.95	6.71	12.85	19.41	26.41
26	March	1.42	7.21	13.39	19.98	27.03
27	April	1.90	7.72	13.93	20.56	27.65
28	May	2.37	8.22	14.47	21.14	28.27
29	June	2.85	8.73	15.01	21.71	28.88
30	July	3.32	9.24	15.55	22.29	29.50
31	August	3.80	9.74	16.09	22.87	30.12
32	September	4.27	10.25	16.63	23.45	30.74
33	October	4.74	10.75	17.17	24.02	31.35
34	November	5.22	11.26	17.71	24.60	31.97
35	December	5.69	11.77	18.25	25.18	32.59

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Welaka/Saratoga Harbour
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
	(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

Allowance for Funds Prudently Invested - Treatment
Calculation of Carrying Costs for Each ERC
Welaka/Saratoga Harbour
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-T
Page: 1 of 3
Preparer: D Smeltzer.

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	62	-
2			
3	Net Cost of Qualifying Assets (NU&U)	4,197	-
4	Net Cost of Qualifying Assets per ERC	68	-
5	Multiply By Rate of Return	8.12%	0.00%
6	Annual Return Per ERC	5.50	-
7			
8	Composite Depreciation Rate of Qualifying Assets	3.08%	0.00%
9			
10	Annual Depreciation Expense of Qllyg Asts (NU&U)	129	-
11	Annual Depr. Cost per ERC	2.09	-
12	Annual Reduction in Return per ERC	0.17	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	108	-
16	Annual Prop. Tax per ERC	1.75	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.21%	0.00%
24	Divided by Rate of Return	8.12%	0.00%
25	% of Equity in Return	76.52%	0.00%
26			
27	Effective Tax on Return	29.52%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.05%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Treatment - Water
Calculation of Carrying Costs for Each ERC - cont'd
Welaka/Saratoga Harbour
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPLT
Page: 2 of 3
Preparer: D Smeltzer

WATER

Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	2.09	2.09	2.09	2.09	2.09
3	Unfunded Property Tax	1.75	1.75	1.75	1.75	1.75
4	Subtotal Unfunded Annual Expense	3.83	3.83	3.83	3.83	3.83
5						
6	Unfunded Expenses Prior Year	-	3.83	7.66	11.50	15.33
7	Total Unfunded Expenses	3.83	7.66	11.50	15.33	19.16
8						
9	Return on Expenses Current Year	0.31	0.31	0.31	0.31	0.31
10						
11	Return on Expenses Prior Year	-	0.31	0.62	0.93	1.25
12	Return on Plant Current Year	5.50	5.33	5.16	4.99	4.82
13	Earnings Prior Year	-	5.50	11.59	18.31	25.73
14	Compound Earnings from Prior Year	-	0.45	0.94	1.49	2.09
15	Total Compounded Earnings	5.50	11.59	18.31	25.73	33.88
16						
17	Earnings Expansion Factor for Tax	1.481	1.481	1.481	1.481	1.481
18						
19	Revenue Required to Fund Earnings	8.14	17.16	27.11	38.09	50.16
20	Revenue Required to Fund Expenses	3.83	7.66	11.50	15.33	19.16
21	Subtotal	11.98	24.82	38.61	53.42	69.33
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	12.54	25.99	40.43	55.94	72.59

Calculation of Carrying Cost Per ERC Per Month:

	2008	2009	2010	2011	2012
24 January	1.04	13.66	27.19	41.72	57.32
25 February	2.09	14.78	28.40	43.01	58.71
26 March	3.13	15.90	29.60	44.31	60.10
27 April	4.18	17.02	30.80	45.60	61.49
28 May	5.22	18.14	32.01	46.89	62.88
29 June	6.27	19.27	33.21	48.18	64.26
30 July	7.31	20.39	34.41	49.47	65.65
31 August	8.36	21.51	35.62	50.77	67.04
32 September	9.40	22.63	36.82	52.06	68.43
33 October	10.45	23.75	38.02	53.35	69.82
34 November	11.49	24.87	39.23	54.64	71.21
35 December	12.54	25.99	40.43	55.94	72.59

Allowance for Funds Prudently Invested - Treatment - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Welaka/Saratoga Harbour
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission
 Schedule: AFPI-T
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES**Allowance For Funds Prudently Invested (Cont.)****Welaka/Saratoga Harbour
Putnam County****LINES:**

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.47	6.20	12.31	18.83	25.80
2	0.95	6.71	12.85	19.41	26.41
3	1.42	7.21	13.39	19.98	27.03
4	1.90	7.72	13.93	20.56	27.65
5	2.37	8.22	14.47	21.14	28.27
6	2.85	8.73	15.01	21.71	28.88
7	3.32	9.24	15.55	22.29	29.50
8	3.80	9.74	16.09	22.87	30.12
9	4.27	10.25	16.63	23.45	30.74
10	4.74	10.75	17.17	24.02	31.35
11	5.22	11.26	17.71	24.60	31.97
12	5.69	11.77	18.25	25.18	32.59

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	1.04	13.66	27.19	41.72	57.32
2	2.09	14.78	28.40	43.01	58.71
3	3.13	15.90	29.60	44.31	60.10
4	4.18	17.02	30.80	45.60	61.49
5	5.22	18.14	32.01	46.89	62.88
6	6.27	19.27	33.21	48.18	64.26
7	7.31	20.39	34.41	49.47	65.65
8	8.36	21.51	35.62	50.77	67.04
9	9.40	22.63	36.82	52.06	68.43
10	10.45	23.75	38.02	53.35	69.82
11	11.49	24.87	39.23	54.64	71.21
12	12.54	25.99	40.43	55.94	72.59

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer



Allowance for Funds Prudently Invested - Lines
Calculation of Carrying Costs for Each ERC
Wootens
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 1 of 3
Preparer: D Smeltzer

Line No.	(1) Description	(2) Water Amount	(1) Sewer Amount
1	Number of Future Customers (ERCs)	21	-
2			
3	Net Cost of Qualifying Assets (NU&U)	343	-
4	Net Cost of Qualifying Assets per ERC	17	-
5	Multiply By Rate of Return	8.13%	0.00%
6	Annual Return Per ERC	1.35	-
7			
8	Composite Depreciation Rate of Qualifying Assets	3.71%	0.00%
9			
10	Annual Depreciation Expense of Qlfyg Asts (NU&U)	13	-
11	Annual Depr. Cost per ERC	0.62	-
12	Annual Reduction in Return per ERC	0.05	-
13	(Annual Depr Exp per ERC x ROR)		
14			
15	Annual Property Tax (on NU&U)	8	-
16	Annual Prop. Tax per ERC	0.38	-
17			
18	State Income Tax Rate	5.50%	5.50%
19	Federal Tax Rate	35.00%	35.00%
20	Effective State Tax Rate	3.58%	3.58%
21	Composite Tax Rate	38.58%	38.58%
22			
23	Weighted Cost of Equity	6.24%	0.00%
24	Divided by Rate of Return	8.13%	0.00%
25	% of Equity in Return	76.72%	0.00%
26			
27	Effective Tax on Return	29.59%	0.00%
28	(Equity % Times Comp. Tax Rate)		
29			
30	Provision For Tax	48.18%	0.00%
31	(Tax on Return/(1-Total Tax Rate))		
32			
33	Other Costs	-	-
34	Other Costs per ERC	-	-

Allowance for Funds Prudently Invested - Lines - Water
Calculation of Carrying Costs for Each ERC - cont'd
Wootens
Docket No. 080121-WS
Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
Page: 2 of 3
Preparer: D Smeltzer

		WATER				
(1)	(2)	(3)	(4)	(5)	(6)	
Line No.	Description	2008	2009	2010	2011	2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	0.62	0.62	0.62	0.62	0.62
3	Unfunded Property Tax	0.38	0.38	0.38	0.38	0.38
4	Subtotal Unfunded Annual Expense	1.00	1.00	1.00	1.00	1.00
5						
6	Unfunded Expenses Prior Year	-	1.00	1.99	2.99	3.98
7	Total Unfunded Expenses	1.00	1.99	2.99	3.98	4.98
8						
9	Return on Expenses Current Year	0.08	0.08	0.08	0.08	0.08
10						
11	Return on Expenses Prior Year	-	0.08	0.16	0.24	0.32
12	Return on Plant Current Year	1.35	1.30	1.25	1.20	1.15
13	Earnings Prior Year	-	1.35	2.84	4.48	6.29
14	Compound Earnings from Prior Year	-	0.11	0.23	0.36	0.51
15	Total Compounded Earnings	1.35	2.84	4.48	6.29	8.27
16						
17	Earnings Expansion Factor for Tax	1.482	1.482	1.482	1.482	1.482
18						
19	Revenue Required to Fund Earnings	2.00	4.21	6.64	9.32	12.26
20	Revenue Required to Fund Expenses	1.00	1.99	2.99	3.98	4.98
21	Subtotal	3.00	6.20	9.63	13.30	17.24
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	3.14	6.49	10.08	13.93	18.05

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	0.26	3.42	6.79	10.40	14.27
25	February	0.52	3.70	7.09	10.73	14.62
26	March	0.78	3.98	7.39	11.05	14.96
27	April	1.05	4.26	7.69	11.37	15.30
28	May	1.31	4.54	7.99	11.69	15.65
29	June	1.57	4.82	8.29	12.01	15.99
30	July	1.83	5.09	8.59	12.33	16.33
31	August	2.09	5.37	8.89	12.65	16.68
32	September	2.35	5.65	9.19	12.97	17.02
33	October	2.61	5.93	9.49	13.29	17.36
34	November	2.88	6.21	9.78	13.61	17.71
35	December	3.14	6.49	10.08	13.93	18.05

Allowance for Funds Prudently Invested - Lines - Sewer
Calculation of Carrying Costs for Each ERC - cont'd
Wootens
Docket No. 080121-WS
 Historical Test Year Ending December 31, 2007

Florida Public Service Commission

Schedule: AFPI-L
 Page: 3 of 3
 Preparer: D Smeltzer

		SEWER				
Line No.	(1) Description	(2) 2008	(3) 2009	(4) 2010	(5) 2011	(6) 2012
Calculation of Carrying Cost Per ERC Per Year:						
1	Unfunded Other Costs	-	-	-	-	-
2	Unfunded Annual Depreciation	-	-	-	-	-
3	Unfunded Property Tax	-	-	-	-	-
4	Subtotal Unfunded Annual Expense	-	-	-	-	-
5						
6	Unfunded Expenses Prior Year	-	-	-	-	-
7	Total Unfunded Expenses	-	-	-	-	-
8						
9	Return on Expenses Current Year	-	-	-	-	-
10						
11	Return on Expenses Prior Year	-	-	-	-	-
12	Return on Plant Current Year	-	-	-	-	-
13	Earnings Prior Year	-	-	-	-	-
14	Compound Earnings from Prior Year	-	-	-	-	-
15	Total Compounded Earnings	-	-	-	-	-
16						
17	Earnings Expansion Factor for Tax	1.000	1.000	1.000	1.000	1.000
18						
19	Revenue Required to Fund Earnings	-	-	-	-	-
20	Revenue Required to Fund Expenses	-	-	-	-	-
21	Subtotal	-	-	-	-	-
22	Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
23	ERC Carrying Cost for 1 Year	-	-	-	-	-

Calculation of Carrying Cost Per ERC Per Month:		2008	2009	2010	2011	2012
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-

SERVICE AVAILABILITY CHARGES

Allowance For Funds Prudently Invested (Cont.)Wootens
Putnam County

LINES:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.26	3.42	6.79	10.40	14.27
2	0.52	3.70	7.09	10.73	14.62
3	0.78	3.98	7.39	11.05	14.96
4	1.05	4.26	7.69	11.37	15.30
5	1.31	4.54	7.99	11.69	15.65
6	1.57	4.82	8.29	12.01	15.99
7	1.83	5.09	8.59	12.33	16.33
8	2.09	5.37	8.89	12.65	16.68
9	2.35	5.65	9.19	12.97	17.02
10	2.61	5.93	9.49	13.29	17.36
11	2.88	6.21	9.78	13.61	17.71
12	3.14	6.49	10.08	13.93	18.05

TREATMENT:

<u>Month</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
1	0.00	0.00	0.00	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00	0.00
6	0.00	0.00	0.00	0.00	0.00
7	0.00	0.00	0.00	0.00	0.00
8	0.00	0.00	0.00	0.00	0.00
9	0.00	0.00	0.00	0.00	0.00
10	0.00	0.00	0.00	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00

Type of Filing: New Service Availability Charges

Effective Date:

Jack Lihvarcik
Chief Operating Officer