

Ann Cole

From: Chuck Hill
Sent: Monday, May 23, 2011 9:33 AM
To: Marshall Willis; Commissioners Advisors; Ann Cole; Mary Anne Helton; Selena Chambers; Sharon Allbritton
Cc: Andrew Maurey; Bart Fletcher; Cheryl Bulecza-Banks; Curt Mouring; Connie Kummer; Paul Stallcup; Patti Daniel; Ralph Jaeger; Lisa Bennett; Jennifer Crawford; Caroline Klancke
Subject: FW: Oral modification to Item 17, Docket 100330-WS & 080121-WS, Aqua Utilities Florida, Inc.
Attachments: Aqua Schedule Changes.doc; Aqua Errata Sheet for Docket No 100330.doc

Approved.

From: Marshall Willis
Sent: Monday, May 23, 2011 9:28 AM
To: Chuck Hill
Cc: Andrew Maurey; Bart Fletcher; Cheryl Bulecza-Banks; Curt Mouring; Connie Kummer; Paul Stallcup; Patti Daniel; Ralph Jaeger; Lisa Bennett; Jennifer Crawford; Caroline Klancke; Mary Anne Helton
Subject: Oral modification to Item 17, Docket 100330-WS & 080121-WS, Aqua Utilities Florida, Inc.

Staff requests permission to make an oral modification to Item 17, Docket 100330-WS & 080121-WS, Aqua Utilities Florida, Inc. This docket has a five-month deadline which expires on May 24, 2011. Therefore, the item can not be deferred.

After staff issued its recommendation, Aqua Utilities and OPC requested staff's Excel files in order to audit for errors. The company and OPC both submitted a list of what they believed may be possible errors. After review, staff agrees with only a portion of the suggested errors as follows:

1. Erroneous cell entries for pro forma depreciation expense,
2. Erroneous cell entries for non-used and useful adjustments in three bands,
3. Error in the reconciliation of the capital structure to rate base, and
4. Error which removed lobbying expenses twice.

These errors have the effect of raising the revenue requirement by \$61,948 for water and \$166,599 for wastewater. Because these errors have a rippling effect in the recommendation, staff needs to make the following oral modifications:

Issue 3: Should adjustments be made to the Utility's pro forma plant Additions?

Recommendation: Yes. The Utility's pro-forma plant additions should be decreased by \$410,693 for water and by \$658,663 for wastewater. Accordingly, accumulated depreciation should be ~~decreased~~ ~~increased~~ by ~~\$56,399~~ ~~\$52,928~~ for water and decreased ~~\$82,647~~ ~~\$190,360~~ for wastewater, and depreciation expense should be decreased by ~~\$31,597~~ ~~\$29,982~~ for water and ~~\$38,599~~ ~~\$56,929~~ for wastewater. Moreover, the Utility's property taxes should be decreased by ~~\$11,343~~ ~~\$33,837~~ for water and ~~\$13,581~~ ~~\$40,974~~ for wastewater. The specific rate band and system adjustments are set forth in staff's analysis below. (Deason)

Issue 15: What is the appropriate rate base for the April 30, 2010, test year?

5/23/2011

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Recommendation: Consistent with other recommended adjustments, the appropriate 13-month average rate base is \$20,242,872 ~~\$20,250,529~~ for water and \$13,781,735 ~~\$12,947,459~~ for wastewater. (Deason)

Issue 17: What is the appropriate amount of accumulated deferred income taxes to include in the capital structure?

Recommendation: The appropriate amount of accumulated deferred income taxes to include in the capital structure is \$2,192,385 ~~\$2,201,371~~. This represents an increase of \$735,913 ~~\$744,899~~ over the amount reflected in the Utility's filing. (Salnova, Springer)

Issue 20: What is the appropriate weighted average cost of capital including the proper components, amounts and cost rates associated with the capital structure?

Recommendation: The appropriate weighted average cost of capital for AUF is 7.39 ~~7.37~~ percent. (Cicchetti, Salnova)

Issue 32: What is the test year pre-repression water and wastewater operating income or loss before any revenue increase?

Recommendation: The test year pre-repression water and wastewater operating incomes are \$306,074 ~~\$341,466~~ and \$451,682 ~~\$486,722~~, respectively. (Mouring)

Issue 33: What is the appropriate pre-repression revenue requirement for the April 30, 2010, test year?

Recommendation: The appropriate pre-repression revenue requirement for the April 30, 2010, test year is \$10,315,406 ~~\$10,253,458~~ for water and \$6,002,288 ~~\$5,835,689~~ for wastewater. (Mouring)

Issue 35: If the Commission implements a capband rate consolidation method in Issues 37 or 38, what are the appropriate rate cap thresholds to be used to cap residential customer bills for the water and wastewater systems?

Recommendation: Staff recommends that the appropriate rate cap thresholds are \$66.50 ~~\$66.25~~ for the water systems and \$93.00 ~~\$90.00~~ for the wastewater systems. These rate cap thresholds are based upon residential customer bills with usage levels of 7 kgals per month for the water systems and 6 kgals per month for the wastewater systems. (Stallcup, Lingo)

Issue 36: What are the appropriate rate structures for the Utility's water and wastewater systems?

Recommendation: Staff recommends that the appropriate rate structure for the Utility's residential water customers is a three-tiered inclining block rate structure with usage blocks for monthly

consumption of 0 to 6 kgals, 6.001 to 12 kgals, and all kgals in excess of 12 kgals. For those water systems for which no repression adjustment is made, the recommended usage block rate factors are 1.0, 1.5, and 2.0, respectively. For those water systems for which a repression adjustment is made, the appropriate rate factors are 1.000, 1.883, and 2.824 ~~1.866~~, and ~~2.798~~, respectively. The appropriate rate structure for the general service water customers is a continuation of the BFC/uniform gallonage charge rate structure, with the general service gallonage charge rate based on the overall average rate per kgal. The BFC allocation for the water systems should be set at 40 percent. However, if the Commission decides not to consolidate the Breeze Hill water system with another water system, staff recommends that the appropriate BFC allocation for the Breeze Hill system is 50 percent.

Issue 40: What are the appropriate monthly rates for the water and wastewater systems for the Utility?

Recommendation: The appropriate monthly water rates are shown on Schedule 4-A, and the appropriate monthly wastewater rates are shown on Schedule 4-B. Excluding miscellaneous service charges, the recommended water rates produce revenues of \$10,010,973 ~~\$9,981,498~~, and the recommended wastewater rates produce revenues of \$6,001,265 ~~\$5,835,689~~. The Utility should file revised water and wastewater tariff sheets and a proposed customer notice to reflect the Commission-approved rates for the water and wastewater systems. The approved rates should be effective for service rendered on or after the stamped approval date of the revised tariff sheets pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date notice was given no less than ten days after the date of the notice. (Stallcup, Lingo, Thompson, Fletcher)

Staff has also attached two files containing errata sheets for the recommendation. One for the recommendation and the other for the attached schedules. The errata sheets are lengthy because of the large number of tables and schedules contained in staff's recommendation.

Aqua Utilities Florida, Inc.
Capital Structure
Test Year Ended 4/30/10

Schedule 1
Docket No. 100330-WS

Description	Total Capital	Specific Adjustments	Subtotal Adjusted Capital	Prorata Adjustments	Capital Reconciled to Rate Base	Ratio	Cost Rate	Weighted Cost	
Per Utility									
1 Long-term Debt	\$26,952,309	\$0	\$26,952,309	(\$13,447,035)	\$13,505,274	37.16%	5.10%	1.89%	
2 Short-term Debt	0	0	0	0	0	0.00%	0.00%	0.00%	
3 Preferred Stock	0	0	0	0	0	0.00%	0.00%	0.00%	
4 Common Equity	42,549,814	0	42,549,814	(21,228,937)	21,320,877	58.66%	9.67%	5.67%	
5 Customer Deposits	84,294	0	84,294	(33,594)	50,700	0.14%	6.00%	0.01%	
6 Deferred Income Taxes	<u>1,456,472</u>	<u>0</u>	<u>1,456,472</u>	<u>14,449</u>	<u>1,470,921</u>	<u>4.05%</u>	0.00%	<u>0.00%</u>	
7 Total Capital	<u>\$71,042,889</u>	<u>\$0</u>	<u>\$71,042,889</u>	<u>(\$34,695,117)</u>	<u>\$36,347,772</u>	<u>100.00%</u>		<u>7.58%</u>	
Per Staff									
8 Long-term Debt	\$26,952,309	\$0	\$26,952,309	(\$14,656,039)	\$12,296,270	36.14%	5.10%	1.84%	
9 Short-term Debt	0	0	0	0	0	0.00%	0.00%	0.00%	
10 Preferred Stock	0	0	0	0	0	0.00%	0.00%	0.00%	
11 Common Equity	42,549,814	160,093	42,709,907	(23,224,655)	19,485,252	57.27%	9.67%	5.54%	
12 Customer Deposits	84,294	(33,594)	50,700	0	50,700	0.15%	6.00%	0.01%	
13 Deferred Income Taxes	<u>1,456,472</u>	<u>735,913</u>	<u>2,192,385</u>	<u>0</u>	<u>2,192,385</u>	<u>6.41%</u>	0.00%	<u>0.00%</u>	
14 Total Capital	<u>\$71,042,889</u>	<u>\$862,412</u>	<u>\$71,905,301</u>	<u>(\$37,880,694)</u>	<u>\$34,024,607</u>	<u>100.00%</u>		<u>7.39%</u>	
						LOW	HIGH		
RETURN ON EQUITY						<u>8.67%</u>	<u>10.67%</u>		
OVERALL RATE OF RETURN						<u>6.82%</u>	<u>7.96%</u>		

AQUA UTILITIES FLORIDA, INC
DOCKET NO. 100330-WS

Schedule 2

SUMMARY OF OPERATING REVENUES BY RATE BAND & SYSTEM	Test Year Per Utility	Utility Requested \$ Increase	Utility Requested % Increase	Utility Requested Rev. Req.	Staff Adjusted Test Year	Staff Recomm. \$ Increase	Staff Recomm. % Increase	Staff Recomm. Rev. Req.
Water Rate Band 1	\$2,275,576	\$590,657	25.96%	\$2,866,233	\$2,298,932	\$343,826	14.96%	\$2,642,758
Water Rate Band 2	1,219,629	400,459	32.83%	\$1,620,088	1,225,794	283,055	23.09%	1,508,849
Water Rate Band 3	910,056	6,587	0.72%	\$916,643	923,168	(6,525)	-0.71%	916,643
Water Rate Band 4	3,618,129	1,454,330	40.20%	\$5,072,459	3,704,439	1,193,378	32.21%	4,897,817
Breeze Hill – Water	30,232	36,525	120.82%	66,757	30,436	34,002	111.72%	64,438
Fairways – Water	136,226	73,075	53.64%	209,301	133,846	48,897	36.53%	182,743
Peace River – Water	65,818	45,228	68.72%	111,046	67,421	34,736	51.52%	102,157
TOTAL WATER	<u>\$8,255,666</u>	<u>\$2,606,861</u>	<u>31.58%</u>	<u>\$10,862,527</u>	<u>\$8,384,036</u>	<u>\$1,931,370</u>	<u>23.04%</u>	<u>\$10,315,406</u>
Wastewater Rate Band 1	\$375,720	\$151,076	40.21%	\$526,796	\$375,191	\$115,164	30.69%	\$490,355
Wastewater Rate Band 2	3,360,115	556,647	16.57%	\$3,916,762	3,523,117	213,320	6.05%	3,736,437
Wastewater Rate Band 3	401,648	523,730	130.40%	\$925,378	419,167	501,882	119.73%	921,049
Wastewater Rate Band 4	490,352	70,073	14.29%	\$560,425	533,538	(28,688)	-5.38%	504,850
Breeze Hill – Wastewater	35,049	60,183	171.71%	95,232	35,486	30,321	85.45%	65,807
Fairways – Wastewater	79,634	115,633	145.21%	195,267	79,922	104,338	130.55%	184,260
Peace River – Wastewater	82,013	21,614	26.35%	103,627	83,509	16,021	19.18%	99,530
TOTAL WASTEWATER	<u>\$4,824,531</u>	<u>\$1,498,956</u>	<u>31.07%</u>	<u>\$6,323,487</u>	<u>\$5,049,930</u>	<u>\$952,358</u>	<u>18.86%</u>	<u>\$6,002,288</u>
TOTAL WATER AND WASTEWATER	<u>\$13,080,197</u>	<u>\$4,105,817</u>	<u>31.39%</u>	<u>\$17,186,014</u>	<u>\$13,433,966</u>	<u>\$2,883,728</u>	<u>21.47%</u>	<u>\$16,317,694</u>

Aqua Utilities Florida, Inc. - Water Band 1				Schedule 3-A	
Schedule of Water Rate Base				Docket No. 100330-WS	
Test Year Ended 4/30/10					
Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1 Plant in Service	\$8,198,647	\$955,509	\$9,154,156	(\$274,988)	\$8,879,168
2 Land and Land Rights	133,696	0	133,696	0	133,696
3 Non-used and Useful Components	0	(74,835)	(74,835)	(5,541)	(80,376)
4 Accumulated Depreciation	(2,745,485)	(139,641)	(2,885,126)	(9,533)	(2,894,659)
5 CIAC	(1,889,160)	0	(1,889,160)	0	(1,889,160)
6 Amortization of CIAC	1,144,561	1,742	1,146,303	0	1,146,303
7 Working Capital Allowance	<u>0</u>	<u>752,658</u>	<u>752,658</u>	<u>(241,955)</u>	<u>510,703</u>
8 Rate Base	<u>\$4,842,259</u>	<u>\$1,495,433</u>	<u>\$6,337,692</u>	<u>(\$532,018)</u>	<u>\$5,805,674</u>

Aqua Utilities Florida, Inc. - Water Band 1
Adjustments to Rate Base
Test Year Ended 4/30/10

Schedule 3-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	(\$239,872)	\$0
2 Appropriate Allocated Plant from Affiliate. (Issue 22)	(35,117)	0
Total	(\$274,988)	\$0
<u>Non-used and Useful</u>		
Reflect net non-used and useful adjustment. (Issues 5-7 & 9-10)	(\$5,541)	\$0
<u>Accumulated Depreciation</u>		
1 Appropriate Pro Forma Accum. Depr. (Issue 3)	(\$24,174)	\$0
2 Appropriate Allocated Accum. Depr. from Affiliate. (Issue 22)	14,641	0
Total	(\$9,533)	\$0
<u>Working Capital</u>		
1 Appropriate Other Deferred Debits. (Issue 11)	\$3,326	\$0
2 Appropriate Accrued Taxes. (Issue 12)	(273,194)	0
3 Deferred Rate Case Expense. (Issue 13)	27,914	0
Total	(\$241,955)	\$0

Aqua Utilities Florida, Inc. - Water Band 1
Statement of Water Operations
Test Year Ended 4/30/10

Schedule 4-A
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	\$2,275,576	\$590,657	\$2,866,233	(\$567,301)	\$2,298,932	\$343,826 14.96%	\$2,642,758
Operating Expenses							
2 Operation & Maintenance	\$1,302,923	\$244,702	\$1,547,625	(\$73,681)	\$1,473,944		\$1,473,944
3 Depreciation	269,400	103,592	372,992	(54,084)	318,908		318,908
4 Amortization	0	10,667	10,667	0	10,667		10,667
5 Taxes Other Than Income	228,179	3,370	231,549	(31,098)	200,451	15,472	215,923
6 Income Taxes	183,260	41,636	224,896	(154,376)	70,520	123,560	194,079
7 Total Operating Expense	\$1,983,762	\$403,967	\$2,387,729	(\$313,239)	\$2,074,490	\$139,032	\$2,213,522
8 Operating Income	\$291,814	\$186,690	\$478,504	(\$254,062)	\$224,442	\$204,795	\$429,237
9 Rate Base	\$4,842,259		\$6,337,692		\$5,805,674		\$5,805,674
10 Rate of Return	6.03%		7.55%		3.87%		7.39%

Aqua Utilities Florida, Inc. - Water Band 1
Adjustment to Operating Income
Test Year Ended 4/30/10

Schedule 4-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
Remove requested final revenue increase.	(\$567,301)	\$0
<u>Operation and Maintenance Expense</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	(\$47,877)	\$0
2 Adjustment to Disallow Fines and Penalties. (Issue 21)	(2,136)	0
3 Appropriate Allocated O&M Exp. from Affiliates. (Issue 22)	(15,446)	0
4 Contractual Services Accounting Adjustment. (Issue 23)	(713)	0
5 Contractual Services Legal Adjustment. (Issue 23)	(3,794)	0
6 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0
7 Appropriate Executive Risk Insurance. (Issue 25)	(1,253)	0
8 Appropriate Salary & Wages. (Issue 26)	(10,080)	0
9 Appropriate Bad Debt Expense. (Issue 27)	(423)	0
10 Appropriate Rate Case Expense. (Issue 28)	6,302	0
11 Health Insurance Normalization Adj. (Issue 29)	2,185	0
12 Health Insurance Pro Forma Adj. (Issue 30)	219	0
13 Insurance - Vehicle Pro Forma Adj. (Issue 30)	(280)	0
14 Insurance - Other Pro Forma Adj. (Issue 30)	(386)	0
Total	(\$73,681)	\$0
<u>Depreciation Expense - Net</u>		
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	(\$13,756)	\$0
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	(1,649)	0
3 Appropriate Allocated Depr. Exp. from Affiliates. (Issue 22)	(38,679)	0
Total	(\$54,084)	\$0
<u>Taxes Other Than Income</u>		
1 RAFs on Revenue Adjustments above.	(\$25,529)	\$0
2 Appropriate Pro Forma Property Taxes. (Issue 3)	(4,275)	0
3 Remove non-U&U Property Taxes. (Issues 5-7 & 9-10)	(524)	0
4 Appropriate Payroll Taxes. (Issue 26)	(771)	0
Total	(\$31,098)	\$0

Aqua Utilities Florida, Inc. - Water Band 1
Water Monthly Service Rates
Test Year Ended 4/30/10

Schedule 5-A
Docket No. 100330-WS

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential, General Service and Multi-Family</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$14.13	\$15.64	\$17.66	\$20.22	N/A	\$0.42
3/4"	\$21.19	\$23.45	\$26.48	\$30.33	N/A	\$0.63
1"	\$35.31	\$39.08	\$44.14	\$50.56	N/A	\$1.05
1-1/2"	\$70.63	\$78.16	\$88.28	\$101.11	N/A	\$2.10
2"	\$113.01	\$125.06	\$141.24	\$161.78	N/A	\$3.36
3"	\$226.03	\$250.14	\$282.49	\$323.56	N/A	\$6.73
4"	\$353.17	\$390.84	\$441.39	\$505.56	N/A	\$10.51
6"	\$706.33	\$781.67	\$882.78	\$1,011.12	N/A	\$21.03
8"	\$1,130.13	\$1,250.68	\$1,412.44	\$1,617.80	N/A	\$33.64
10"	\$1,624.57	\$1,797.86	\$2,030.39	\$2,325.58	N/A	\$48.36
Gallonge Charge RS Tier One	\$2.00	\$2.21	\$6.49	\$3.62	N/A	\$0.08
Gallonge Charge RS Tier Two	\$2.51	\$2.78	\$9.73	\$6.82	N/A	\$0.14
Gallonge Charge RS Tier Three	\$6.01	\$6.65	\$12.98	\$10.24	N/A	\$0.21
Gallonge Charge GS	\$3.34	\$3.70	\$6.98	\$5.17	N/A	\$0.11
<u>Irrigation</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$0.00	\$0.00	\$17.66	\$20.22	N/A	\$0.42
3/4"	\$0.00	\$0.00	\$26.48	\$30.33	N/A	\$0.63
1"	\$0.00	\$0.00	\$44.14	\$50.56	N/A	\$1.05
1-1/2"	\$0.00	\$0.00	\$88.28	\$101.11	N/A	\$2.10
2"	\$0.00	\$0.00	\$141.24	\$161.78	N/A	\$3.36
3"	\$0.00	\$0.00	\$282.49	\$323.56	N/A	\$6.73
4"	\$0.00	\$0.00	\$441.39	\$505.56	N/A	\$10.51
Gallonge Charge RS Tier One	\$0.00	\$0.00	\$6.49	\$3.62	N/A	\$0.08
Gallonge Charge RS Tier Two	\$0.00	\$0.00	\$9.73	\$6.82	N/A	\$0.14
Gallonge Charge RS Tier Three	\$0.00	\$0.00	\$12.98	\$10.24	N/A	\$0.21
<u>Private Fire Protection</u>						
Base Facility Charge by Meter Size:						
2"	\$9.42	\$10.42	\$11.77	\$13.48	N/A	\$0.28
3"	\$18.84	\$20.85	\$23.54	\$26.96	N/A	\$0.56
4"	\$29.44	\$32.58	\$36.78	\$42.13	N/A	\$0.88
6"	\$58.86	\$65.14	\$73.57	\$84.26	N/A	\$1.75
8"	\$94.18	\$104.23	\$117.70	\$134.82	N/A	\$2.80
10"	\$135.38	\$149.82	\$169.20	\$193.80	N/A	\$4.03
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$20.13	\$22.27	\$37.13	\$31.10		
5,000 Gallons	\$24.13	\$26.69	\$50.11	\$38.35		
10,000 Gallons	\$36.68	\$40.59	\$95.52	\$69.27		

Aqua Utilities Florida, Inc. - Water Band 2
 Schedule of Water Rate Base
 Test Year Ended 4/30/10

Schedule 3-A
 Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1 Plant in Service	\$6,627,158	\$507,678	\$7,134,836	(\$113,139)	\$7,021,697
2 Land and Land Rights	55,132	0	55,132	0	55,132
3 Non-used and Useful Components	0	(616,233)	(616,233)	(30,308)	(646,541)
4 Accumulated Depreciation	(1,932,975)	(57,867)	(1,990,842)	46,780	(1,944,062)
5 CIAC	(1,231,111)	0	(1,231,111)	0	(1,231,111)
6 Amortization of CIAC	324,656	0	324,656	0	324,656
7 Working Capital Allowance	0	375,622	375,622	(112,136)	263,486
8 Rate Base	<u>\$3,842,860</u>	<u>\$209,200</u>	<u>\$4,052,060</u>	<u>(\$208,804)</u>	<u>\$3,843,256</u>

Aqua Utilities Florida, Inc. - Water Band 2
Adjustments to Rate Base
Test Year Ended 4/30/10

Schedule 3-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	(\$103,406)	\$0
2 Appropriate Allocated Plant from Affiliate. (Issue 22)	<u>(9,733)</u>	<u>0</u>
Total	<u>(\$113,139)</u>	<u>\$0</u>
<u>Non-used and Useful</u>		
Reflect net non-used and useful adjustment. (Issues 5-7 & 9-10)	<u>(\$30,308)</u>	<u>\$0</u>
<u>Accumulated Depreciation</u>		
1 Appropriate Pro Forma Accum. Depr. (Issue 3)	<u>\$42,748</u>	\$0
2 Appropriate Allocated Accum. Depr. from Affiliate. (Issue 22)	<u>4,032</u>	<u>0</u>
Total	<u>\$46,780</u>	<u>\$0</u>
<u>Working Capital</u>		
1 Appropriate Other Deferred Debits. (Issue 11)	\$1,512	\$0
2 Appropriate Accrued Taxes. (Issue 12)	(124,236)	0
3 Deferred Rate Case Expense. (Issue 13)	<u>10,588</u>	<u>0</u>
Total	<u>(\$112,136)</u>	<u>\$0</u>

Aqua Utilities Florida, Inc. - Water Band 2
Statement of Water Operations
Test Year Ended 4/30/10

Schedule 4-A
Docket No. 100330-WS

	Test Year	Utility	Adjusted	Staff	Staff	Revenue	Revenue
Description	Per	Adjust-	Test Year	Adjust-	Adjusted	Increase	Requirement
	Utility	ments	Per Utility	ments	Test Year		
1 Operating Revenues:	<u>\$1,219,629</u>	<u>\$400,459</u>	<u>\$1,620,088</u>	<u>(\$394,294)</u>	<u>\$1,225,794</u>	<u>\$283,055</u> 23.09%	<u>\$1,508,849</u>
Operating Expenses							
2 Operation & Maintenance	\$693,596	\$115,399	\$808,995	(\$39,127)	\$769,868		\$769,868
3 Depreciation	142,446	32,326	174,772	(20,533)	154,239		154,239
4 Amortization	0	9,125	9,125	0	9,125		9,125
5 Taxes Other Than Income	210,070	(32,147)	177,923	(27,668)	150,255	12,737	162,993
6 Income Taxes	66,934	76,751	143,685	(116,928)	26,757	101,721	128,477
7 Total Operating Expense	<u>\$1,113,046</u>	<u>\$201,454</u>	<u>\$1,314,500</u>	<u>(\$204,256)</u>	<u>\$1,110,244</u>	<u>\$114,458</u>	<u>\$1,224,702</u>
8 Operating Income	<u>\$106,583</u>	<u>\$199,005</u>	<u>\$305,588</u>	<u>(\$190,038)</u>	<u>\$115,550</u>	<u>\$168,597</u>	<u>\$284,147</u>
9 Rate Base	<u>\$3,842,860</u>		<u>\$4,052,060</u>		<u>\$3,843,256</u>		<u>\$3,843,256</u>
10 Rate of Return	<u>2.77%</u>		<u>7.54%</u>		<u>3.01%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Water Band 2
Adjustment to Operating Income
Test Year Ended 4/30/10

Schedule 4-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
Remove requested final revenue increase.	(\$394,294)	\$0
<u>Operation and Maintenance Expense</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	(\$25,905)	\$0
2 Adjustment to Disallow Fines and Penalties. (Issue 21)	(25)	0
3 Appropriate Allocated O&M Exp. from Affiliates. (Issue 22)	(3,103)	0
4 Contractual Services Accounting Adjustment. (Issue 23)	(133)	0
5 Contractual Services Legal Adjustment. (Issue 23)	(708)	0
6 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0
7 Appropriate Executive Risk Insurance. (Issue 25)	(234)	0
8 Appropriate Salary & Wages. (Issue 26)	(5,803)	0
9 Appropriate Bad Debt Expense. (Issue 27)	(6,583)	0
10 Appropriate Rate Case Expense. (Issue 28)	2,802	0
11 Health Insurance Normalization Adj. (Issue 29)	791	0
12 Health Insurance Pro Forma Adj. (Issue 30)	79	0
13 Insurance - Vehicle Pro Forma Adj. (Issue 30)	(128)	0
14 Insurance - Other Pro Forma Adj. (Issue 30)	(176)	0
Total	(\$39,127)	\$0
<u>Depreciation Expense - Net</u>		
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	(\$3,856)	\$0
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	(860)	0
3 Appropriate Allocated Depr. Exp. from Affiliates. (Issue 22)	(15,817)	0
Total	(\$20,533)	\$0
<u>Taxes Other Than Income</u>		
1 RAFs on Revenue Adjustments above.	(\$17,743)	\$0
2 Appropriate Pro Forma Property Taxes. (Issue 3)	(2,899)	0
3 Remove non-U&U Property Taxes. (Issues 5-7 & 9-10)	(6,581)	0
4 Appropriate Payroll Taxes. (Issue 26)	(444)	0
Total	(\$27,668)	\$0

**Aqua Utilities Florida, Inc. - Water Band 2
Water Monthly Service Rates
Test Year Ended 4/30/10**

**Schedule 5-A
Docket No. 100330-WS**

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
Residential, General Service and Multi-Family						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$16.29	\$18.91	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$24.44	\$28.37	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$40.73	\$47.29	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$81.46	\$94.57	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$130.34	\$151.32	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$260.69	\$302.66	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$407.31	\$472.88	\$441.39	\$473.66	\$13.27	\$6.86
6"	\$814.63	\$945.77	\$882.78	\$947.32	\$26.53	\$13.73
8"	\$1,303.41	\$1,513.24	\$1,412.44	\$1,515.71	\$42.45	\$21.96
10"	\$1,873.65	\$2,175.27	\$2,030.39	\$2,178.83	\$61.03	\$31.57
Gallage Charge RS Tier One	\$3.82	\$4.43	\$6.49	\$6.34	\$0.18	\$0.09
Gallage Charge RS Tier Two	\$4.77	\$5.54	\$9.73	\$9.51	\$0.27	\$0.14
Gallage Charge RS Tier Three	\$11.46	\$13.30	\$12.98	\$12.68	\$0.36	\$0.18
Gallage Charge GS	\$5.33	\$6.19	\$6.98	\$7.16	\$0.20	\$0.10
Irrigation						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$0.00	\$0.00	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$0.00	\$0.00	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$0.00	\$0.00	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$0.00	\$0.00	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$0.00	\$0.00	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$0.00	\$0.00	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$0.00	\$0.00	\$441.39	\$473.66	\$13.27	\$6.86
Gallage Charge RS Tier One	\$0.00	\$0.00	\$6.49	\$6.34	\$0.18	\$0.09
Gallage Charge RS Tier Two	\$0.00	\$0.00	\$9.73	\$9.51	\$0.27	\$0.14
Gallage Charge RS Tier Three	\$0.00	\$0.00	\$12.98	\$12.68	\$0.36	\$0.18
Private Fire Protection						
Base Facility Charge by Meter Size:						
2"	\$10.86	\$12.61	\$11.77	\$12.63	\$0.35	\$0.18
3"	\$21.72	\$25.22	\$23.54	\$25.26	\$0.71	\$0.37
4"	\$33.94	\$39.41	\$36.78	\$39.47	\$1.11	\$0.57
6"	\$67.89	\$78.81	\$73.57	\$78.94	\$2.21	\$1.14
8"	\$108.61	\$126.09	\$117.70	\$126.31	\$3.54	\$1.83
10"	\$156.14	\$181.27	\$169.20	\$181.57	\$5.09	\$2.63
Typical Residential Bills 5/8" x 3/4" Meter						
3,000 Gallons	\$27.75	\$32.20	\$37.13	\$37.97		
5,000 Gallons	\$35.39	\$41.06	\$50.11	\$50.65		
10,000 Gallons	\$59.24	\$68.76	\$95.52	\$95.03		

Aqua Utilities Florida, Inc. - Water Band 3 Schedule of Water Rate Base Test Year Ended 4/30/10				Schedule 3-A Docket No. 100330-WS	
Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1 Plant in Service	\$1,796,771	\$189,991	\$1,986,762	(\$12,004)	\$1,974,758
2 Land and Land Rights	32,752	0	32,752	0	32,752
3 Non-used and Useful Components	0	(38,983)	(38,983)	4,056	(34,927)
4 Accumulated Depreciation	(552,604)	(54,170)	(606,774)	10,765	(596,009)
5 CIAC	(436,206)	0	(436,206)	0	(436,206)
6 Amortization of CIAC	211,746	0	211,746	0	211,746
7 Working Capital Allowance	0	225,478	225,478	(70,030)	155,448
8 Rate Base	<u>\$1,052,459</u>	<u>\$322,316</u>	<u>\$1,374,775</u>	<u>(\$67,213)</u>	<u>\$1,307,562</u>

Aqua Utilities Florida, Inc. - Water Band 3
Adjustments to Rate Base
Test Year Ended 4/30/10

Schedule 3-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	\$1,910	\$0
2 Appropriate Allocated Plant from Affiliate. (Issue 22)	(13,914)	0
Total	<u>(\$12,004)</u>	<u>\$0</u>
<u>Non-used and Useful</u>		
Reflect net non-used and useful adjustment. (Issues 5-7 & 9-10)	\$4,056	\$0
<u>Accumulated Depreciation</u>		
1 Appropriate Pro Forma Accum. Depr. (Issue 3)	\$4,947	\$0
2 Appropriate Allocated Accum. Depr. from Affiliate. (Issue 22)	5,818	0
Total	<u>\$10,765</u>	<u>\$0</u>
<u>Working Capital</u>		
1 Appropriate Other Deferred Debits. (Issue 11)	\$936	\$0
2 Appropriate Accrued Taxes. (Issue 12)	(76,875)	0
3 Deferred Rate Case Expense. (Issue 13)	5,910	0
Total	<u>(\$70,030)</u>	<u>\$0</u>

Aqua Utilities Florida, Inc. - Water Band 3
Statement of Water Operations
Test Year Ended 4/30/10

Schedule 4-A
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$910,056</u>	<u>\$6,587</u>	<u>\$916,643</u>	<u>\$6,525</u>	<u>\$923,168</u>	(\$6,525) -0.71%	<u>\$916,643</u>
Operating Expenses							
2 Operation & Maintenance	\$565,731	\$65,967	\$631,698	<u>\$90,204</u>	<u>\$721,902</u>		<u>\$721,902</u>
3 Depreciation	36,515	27,206	63,721	(12,675)	51,046		51,046
4 Amortization	0	2,275	2,275	0	2,275		2,275
5 Taxes Other Than Income	65,436	428	65,864	<u>(124)</u>	<u>65,740</u>	(294)	<u>65,447</u>
6 Income Taxes	<u>93,496</u>	<u>(44,565)</u>	<u>48,931</u>	<u>(27,113)</u>	<u>21,818</u>	(2,345)	<u>19,473</u>
7 Total Operating Expense	<u>\$761,178</u>	<u>\$51,311</u>	<u>\$812,489</u>	<u>\$50,292</u>	<u>\$862,781</u>	(\$2,638)	<u>\$860,143</u>
8 Operating Income	<u>\$148,878</u>	<u>(\$44,724)</u>	<u>\$104,154</u>	<u>(\$43,767)</u>	<u>\$60,387</u>	(\$3,887)	<u>\$56,500</u>
9 Rate Base	<u>\$1,052,459</u>		<u>\$1,374,775</u>		<u>\$1,307,562</u>		<u>\$1,307,562</u>
10 Rate of Return	<u>14.15%</u>		<u>7.58%</u>		<u>4.62%</u>		<u>4.32%</u>

Aqua Utilities Florida, Inc. - Water Band 3
Adjustment to Operating Income
Test Year Ended 4/30/10

Schedule 4-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
Remove requested final revenue increase.	\$6,525	\$0
<u>Operation and Maintenance Expense</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	(\$14,060)	\$0
2 Adjustment to Disallow Fines and Penalties. (Issue 21)	(15)	0
3 Appropriate Allocated O&M Exp. from Affiliates. (Issue 22)	(6,871)	0
4 Contractual Services Accounting Adjustment. (Issue 23)	(324)	0
5 Contractual Services Legal Adjustment. (Issue 23)	(1,725)	0
6 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0
7 Appropriate Executive Risk Insurance. (Issue 25)	(570)	0
8 Appropriate Salary & Wages. (Issue 26)	(2,937)	0
9 Appropriate Bad Debt Expense. (Issue 27)	(10,632)	0
10 Appropriate Rate Case Expense. (Issue 28)	1,711	0
11 Health Insurance Normalization Adj. (Issue 29)	442	0
12 Health Insurance Pro Forma Adj. (Issue 30)	44	0
13 Adjustment for Lake Osborne Purchased Water. (Issue 30)	125,329	0
14 Insurance - Vehicle Pro Forma Adj. (Issue 30)	(79)	0
15 Insurance - Other Pro Forma Adj. (Issue 30)	(109)	0
Total	\$90,204	\$0
<u>Depreciation Expense - Net</u>		
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	(\$973)	\$0
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	328	0
3 Appropriate Allocated Depr. Exp. from Affiliates. (Issue 22)	(12,030)	0
Total	(\$12,675)	\$0
<u>Taxes Other Than Income</u>		
1 RAFs on revenue adjustments above	\$294	\$0
2 Appropriate Pro Forma Property Taxes. (Issue 3)	(261)	0
3 Remove non-U&U Property Taxes. (Issues 5-7 & 9-10)	68	0
4 Appropriate Payroll Taxes. (Issue 26)	(225)	0
Total	(\$124)	\$0

Aqua Utilities Florida, Inc. - Water Band 3
Water Monthly Service Rates
Test Year Ended 4/30/10

Schedule 5-A
Docket No. 100330-WS

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential, General Service and Multi-Family</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$16.68	\$16.68	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$25.02	\$25.02	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$41.71	\$41.71	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$83.42	\$83.42	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$133.47	\$133.47	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$266.92	\$266.92	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$417.07	\$417.07	\$441.39	\$473.66	\$13.27	\$6.86
6"	\$834.14	\$834.14	\$882.78	\$947.32	\$26.53	\$13.73
8"	\$1,334.62	\$1,334.62	\$1,412.44	\$1,515.71	\$42.45	\$21.96
10"	\$1,918.52	\$1,918.52	\$2,030.39	\$2,178.83	\$61.03	\$31.57
Gallonge Charge RS Tier One	\$5.01	\$5.01	\$6.49	\$6.34	\$0.18	\$0.09
Gallonge Charge RS Tier Two	\$6.26	\$6.26	\$9.73	\$9.51	\$0.27	\$0.14
Gallonge Charge RS Tier Three	\$15.03	\$15.03	\$12.98	\$12.68	\$0.36	\$0.18
Gallonge Charge GS	\$6.14	\$6.14	\$6.98	\$7.16	\$0.20	\$0.10
<u>Irrigation</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$0.00	\$0.00	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$0.00	\$0.00	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$0.00	\$0.00	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$0.00	\$0.00	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$0.00	\$0.00	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$0.00	\$0.00	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$0.00	\$0.00	\$441.39	\$473.66	\$13.27	\$6.86
Gallonge Charge RS Tier One	\$0.00	\$0.00	\$6.49	\$6.34	\$0.18	\$0.09
Gallonge Charge RS Tier Two	\$0.00	\$0.00	\$9.73	\$9.51	\$0.27	\$0.14
Gallonge Charge RS Tier Three	\$0.00	\$0.00	\$12.98	\$12.68	\$0.36	\$0.18
<u>Private Fire Protection</u>						
Base Facility Charge by Meter Size:						
2"	\$11.12	\$11.12	\$11.77	\$12.63	\$0.35	\$0.18
3"	\$22.24	\$22.24	\$23.54	\$25.26	\$0.71	\$0.37
4"	\$34.76	\$34.76	\$36.78	\$39.47	\$1.11	\$0.57
6"	\$69.51	\$69.51	\$73.57	\$78.94	\$2.21	\$1.14
8"	\$111.22	\$111.22	\$117.70	\$126.31	\$3.54	\$1.83
10"	\$159.88	\$159.88	\$169.20	\$181.57	\$5.09	\$2.63
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$31.71	\$31.71	\$37.13	\$37.97		
5,000 Gallons	\$41.73	\$41.73	\$50.11	\$50.65		
10,000 Gallons	\$73.03	\$73.03	\$98.76	\$95.03		

Aqua Utilities Florida, Inc. - Water Band 4				Schedule 3-A	
Schedule of Water Rate Base				Docket No. 100330-WS	
Test Year Ended 4/30/10					
Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1 Plant in Service	\$10,516,464	\$1,260,629	\$11,777,093	(\$173,637)	\$11,603,456
2 Land and Land Rights	127,298	0	127,298	0	127,298
3 Non-used and Useful Components	0	(203,268)	(203,268)	(86,264)	(289,532)
4 Accumulated Depreciation	(2,356,969)	(143,751)	(2,500,720)	52,497	(2,448,223)
5 CIAC	(2,303,726)	36,394	(2,267,332)	0	(2,267,332)
6 Amortization of CIAC	1,229,588	(4,104)	1,225,484	0	1,225,484
7 Working Capital Allowance	0	1,060,448	1,060,448	(293,886)	766,562
8 Rate Base	<u>\$7,212,655</u>	<u>\$2,006,348</u>	<u>\$9,219,003</u>	<u>(\$501,291)</u>	<u>\$8,717,712</u>

Aqua Utilities Florida, Inc. - Water Band 4
Adjustments to Rate Base
Test Year Ended 4/30/10

Schedule 3-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	(\$140,992)	\$0
2 Appropriate Allocated Plant from Affiliate. (Issue 22)	(32,645)	0
Total	(\$173,637)	\$0
<u>Non-used and Useful</u>		
Reflect net non-used and useful adjustment. (Issues 5-7 & 9-10)	(\$86,264)	\$0
<u>Accumulated Depreciation</u>		
1 Appropriate Pro Forma Accum. Depr. (Issue 3)	\$38,930	\$0
2 Appropriate Allocated Accum. Depr. from Affiliate. (Issue 22)	13,567	0
Total	\$52,497	\$0
<u>Working Capital</u>		
1 Appropriate Other Deferred Debits. (Issue 11)	\$4,070	\$0
2 Appropriate Accrued Taxes. (Issue 12)	(334,355)	0
3 Deferred Rate Case Expense. (Issue 13)	36,399	0
Total	(\$293,886)	\$0

Aqua Utilities Florida, Inc. - Water Band 4
Statement of Water Operations
Test Year Ended 4/30/10

Schedule 4-A
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$3,618,129</u>	<u>\$1,454,330</u>	<u>\$5,072,459</u>	<u>(\$1,368,020)</u>	<u>\$3,704,439</u>	<u>\$1,193,378</u> 32.21%	<u>\$4,897,817</u>
Operating Expenses							
2 Operation & Maintenance	\$2,888,518	\$360,534	\$3,249,052	(\$200,874)	\$3,048,178		\$3,048,178
3 Depreciation	201,621	140,536	342,157	(57,417)	284,740		284,740
4 Amortization	0	22,937	22,937	193,705	216,642		216,642
5 Taxes Other Than Income	404,493	23,586	428,079	(69,486)	358,593	53,702	412,295
6 Income Taxes	<u>47,639</u>	<u>281,807</u>	<u>329,446</u>	<u>(466,879)</u>	<u>(137,433)</u>	<u>428,860</u>	<u>291,427</u>
7 Total Operating Expense	<u>\$3,542,271</u>	<u>\$829,400</u>	<u>\$4,371,671</u>	<u>(\$600,951)</u>	<u>\$3,770,720</u>	<u>\$482,562</u>	<u>\$4,253,282</u>
8 Operating Income	<u>\$75,858</u>	<u>\$624,930</u>	<u>\$700,788</u>	<u>(\$767,069)</u>	<u>(\$66,281)</u>	<u>\$710,816</u>	<u>\$644,535</u>
9 Rate Base	<u>\$7,212,655</u>		<u>\$9,219,003</u>		<u>\$8,717,712</u>		<u>\$8,717,712</u>
10 Rate of Return	<u>1.05%</u>		<u>7.60%</u>		<u>-0.76%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Water Band 4
Adjustment to Operating Income
Test Year Ended 4/30/10

Schedule 4-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
Remove requested final revenue increase.	(<u>\$1,368,020</u>)	<u>\$0</u>
<u>Operation and Maintenance Expense</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	(\$52,994)	\$0
2 EUW Adjustment. (Issue 4)	96	0
3 Adjustment to Disallow Fines and Penalties. (Issue 21)	(10,426)	0
4 Appropriate Allocated O&M Exp. from Affiliates. (Issue 22)	(12,397)	0
5 Contractual Services Accounting Adjustment. (Issue 23)	(556)	0
6 Contractual Services Legal Adjustment. (Issue 23)	(2,958)	0
7 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0
8 Appropriate Executive Risk Insurance. (Issue 25)	(977)	0
9 Appropriate Salary & Wages. (Issue 26)	(14,584)	0
10 Appropriate Bad Debt Expense. (Issue 27)	(35,961)	0
11 Appropriate Rate Case Expense. (Issue 28)	7,786	0
12 Health Insurance Normalization Adj. (Issue 29)	2,867	0
13 Adjustment to Palm Terrace Purchased Water Normalization. (Issue 29)	(40,121)	0
14 Health Insurance Pro Forma Adj. (Issue 30)	287	0
15 Adjustment to Palm Terrace Purchased Water Pro Forma. (Issue 30)	(40,121)	0
16 Insurance - Vehicle Pro Forma Adj. (Issue 30)	(343)	0
17 Insurance - Other Pro Forma Adj. (Issue 30)	(473)	0
Total	<u>(\$200,874)</u>	<u>\$0</u>
<u>Depreciation Expense - Net</u>		
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	<u>(\$9,982)</u>	\$0
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	<u>(3,032)</u>	0
3 Appropriate Allocated Depr. Exp. from Affiliates. (Issue 22)	<u>(44,402)</u>	0
Total	<u>(\$57,417)</u>	<u>\$0</u>
<u>Amortization-Other Expense</u>		
Appropriate Regulatory Asset. (Issue 47)	<u>\$193,705</u>	<u>\$0</u>
<u>Taxes Other Than Income</u>		
1 RAFs on revenue adjustments above.	(\$61,561)	\$0
2 Appropriate Pro Forma Property Taxes. (Issue 3)	<u>(3,215)</u>	0
3 Remove non-U&U Property Taxes. (Issues 5-7 & 9-10)	(3,594)	0
4 Appropriate Payroll Taxes. (Issue 26)	<u>(1,116)</u>	0
Total	<u>(\$69,486)</u>	<u>\$0</u>

**Aqua Utilities Florida, Inc. - Water Band 4
Water Monthly Service Rates
Test Year Ended 4/30/10**

**Schedule 5-A
Docket No. 100330-WS**

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential, General Service and Multi-Family</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$15.71	\$15.71	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$23.58	\$23.58	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$39.29	\$39.29	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$78.58	\$78.58	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$125.73	\$125.73	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$251.46	\$251.46	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$392.91	\$392.91	\$441.39	\$473.66	\$13.27	\$6.86
6"	\$785.82	\$785.82	\$882.78	\$947.32	\$26.53	\$13.73
8"	\$1,257.32	\$1,257.32	\$1,412.44	\$1,515.71	\$42.45	\$21.96
10"	\$1,807.40	\$1,807.40	\$2,030.39	\$2,178.83	\$61.03	\$31.57
Gallonage Charge RS Tier One	\$7.31	\$7.31	\$6.49	\$6.34	\$0.18	\$0.09
Gallonage Charge RS Tier Two	\$8.98	\$8.98	\$9.73	\$9.51	\$0.27	\$0.14
Gallonage Charge RS Tier Three	\$20.67	\$20.67	\$12.98	\$12.68	\$0.36	\$0.18
Gallonage Charge GS	\$8.42	\$8.42	\$6.98	\$7.16	\$0.20	\$0.10
<u>Irrigation</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$0.00	\$0.00	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$0.00	\$0.00	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$0.00	\$0.00	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$0.00	\$0.00	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$0.00	\$0.00	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$0.00	\$0.00	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$0.00	\$0.00	\$441.39	\$473.66	\$13.27	\$6.86
Gallonage Charge RS Tier One	\$0.00	\$0.00	\$6.49	\$6.34	\$0.18	\$0.09
Gallonage Charge RS Tier Two	\$0.00	\$0.00	\$9.73	\$9.51	\$0.27	\$0.14
Gallonage Charge RS Tier Three	\$0.00	\$0.00	\$12.98	\$12.68	\$0.36	\$0.18
<u>Private Fire Protection</u>						
Base Facility Charge by Meter Size:						
2"	\$10.48	\$10.48	\$11.77	\$12.63	\$0.35	\$0.18
3"	\$20.96	\$20.96	\$23.54	\$25.26	\$0.71	\$0.37
4"	\$32.74	\$32.74	\$36.78	\$39.47	\$1.11	\$0.57
6"	\$65.48	\$65.48	\$73.57	\$78.94	\$2.21	\$1.14
8"	\$104.77	\$104.77	\$117.70	\$126.31	\$3.54	\$1.83
10"	\$150.61	\$150.61	\$169.20	\$181.57	\$5.09	\$2.63
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$37.64	\$37.64	\$37.13	\$37.97		
5,000 Gallons	\$52.26	\$52.26	\$50.11	\$50.65		
10,000 Gallons	\$97.16	\$97.16	\$98.76	\$95.03		

Aqua Utilities Florida, Inc. - Wastewater Band 1
 Schedule of Wastewater Rate Base
 Test Year Ended 4/30/10

Schedule 3-B
 Docket No. 100330-WS

Description		Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1	Plant in Service	\$1,484,256	\$193,113	\$1,677,369	(\$17,983)	\$1,659,386
2	Land and Land Rights	108,974	0	108,974	0	108,974
3	Non-used and Useful Components	0	(53,635)	(53,635)	(5,609)	(59,244)
4	Accumulated Depreciation	(910,328)	(45,039)	(955,367)	(9,275)	(964,642)
5	CIAC	(619,088)	0	(619,088)	0	(619,088)
6	Amortization of CIAC	436,809	0	436,809	0	436,809
7	Working Capital Allowance	\$0	\$155,468	\$155,468	(\$46,991)	\$108,477
8	Rate Base	<u>\$500,623</u>	<u>\$249,907</u>	<u>\$750,530</u>	<u>(\$79,857)</u>	<u>\$670,673</u>

Aqua Utilities Florida, Inc. - Wastewater Band 1
Adjustments to Rate Base
Test Year Ended 4/30/10

Schedule 3-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	\$0	(\$9,224)
2 Affiliate Audit Adjustment. (Issue 22)	0	(8,759)
Total	<u>\$0</u>	<u>(\$17,983)</u>
<u>Non-used and Useful</u>		
Reflect net non-used and useful adjustment. (Issues 5-7 & 9-10)	<u>\$0</u>	<u>(\$5,609)</u>
<u>Accumulated Depreciation</u>		
1 Appropriate Pro Forma Accum Depr. (Issue 3)	\$0	(\$12,936)
2 Appropriate Allocated Accum. Depr. From Affiliate. (Issue 22)	0	3,661
Total	<u>\$0</u>	<u>(\$9,275)</u>
<u>Working Capital</u>		
1 Appropriate Other Deferred Debits. (Issue 11)	\$0	\$621
2 Appropriate Accrued Taxes. (Issue 12)	0	(51,002)
3 Deferred Rate Case Expense. (Issue 13)	0	3,390
Total	<u>\$0</u>	<u>(\$46,991)</u>

Aqua Utilities Florida, Inc. - Wastewater Band 1
Statement of Wastewater Operations
Test Year Ended 4/30/10

Schedule 4-B
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$375,720</u>	<u>\$151,076</u>	<u>\$526,796</u>	(\$151,605)	<u>\$375,191</u>	<u>\$115,164</u> 30.69%	<u>\$490,355</u>
Operating Expenses							
2 Operation & Maintenance	\$329,918	\$45,771	\$375,689	(\$14,423)	\$361,266		\$361,266
3 Depreciation	5,577	20,252	25,829	(\$9,093)	16,736		16,736
4 Amortization	0	3,423	3,423	\$0	3,423		3,423
5 Taxes Other Than Income	23,402	15,504	38,906	(\$7,164)	31,742	5,182	36,924
6 Income Taxes	6,490	20,015	26,505	(45,471)	(18,966)	41,386	22,420
7 Total Operating Expense	<u>365,387</u>	<u>104,965</u>	<u>470,352</u>	<u>(76,151)</u>	<u>394,201</u>	<u>46,568</u>	<u>440,769</u>
8 Operating Income	<u>\$10,333</u>	<u>\$46,111</u>	<u>\$56,444</u>	<u>(\$75,454)</u>	<u>(\$19,010)</u>	<u>\$68,595</u>	<u>\$49,585</u>
9 Rate Base	<u>\$500,623</u>		<u>\$750,530</u>		<u>\$670,673</u>		<u>\$670,673</u>
10 Rate of Return	<u>2.06%</u>		<u>7.52%</u>		<u>-2.83%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Wastewater Band 1
Adjustment to Operating Income
Test Year Ended 4/30/10

Schedule 4-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
Remove requested final revenue increase	\$0	<u>(\$151,605)</u>
<u>Operation and Maintenance Expense</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	\$0	(\$6,382)
2 Adjustment to Disallow Fines and Penalties. (Issue 21)	0	(10)
3 Affiliate Audit Adjustment. (Issue 22)	0	(4,264)
4 Sludge Hauling Expense Adj. (Issue 23)	0	(985)
5 Contractual Services Accounting Adjustment (Issue 23)	0	(201)
6 Contractual Services Legal Adjustment. (Issue 23)	0	(1,068)
7 Adjustment to Remove Lobbying Costs (Issue 24)	0	0
8 Appropriate Executive Risk Insurance. (Issue 25)	0	(352)
9 Appropriate Salary & Wages. (Issue 26)	0	(1,995)
10 Appropriate Bad Debt Expense. (Issue 27)	0	(422)
11 Appropriate Rate Case Expense. (Issue 28)	0	1,120
12 Health Insurance Normalization Adj. (Issue 29)	0	236
13 Health Insurance Pro Forma Adj. (Issue 30)	0	24
14 Insurance - Vehicle Pro Forma Adj. (Issue 30)	0	(53)
15 Insurance - Other Pro Forma Adj. (Issue 30)	0	(72)
Total	<u>\$0</u>	<u>(\$14,423)</u>
<u>Depreciation Expense - Net</u>		
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	\$0	<u>(\$1,074)</u>
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	0	(173)
3 Appropriate Allocated Depr. Exp. From Affiliates. (Issue 22)	0	<u>(7,846)</u>
Total	<u>\$0</u>	<u>(\$9,093)</u>
<u>Taxes Other Than Income</u>		
1 RAFs on revenue adjustments above.	\$0	(\$6,822)
2 Appropriate Pro Forma Property Taxes. (Issue 3)	0	<u>(174)</u>
3 Remove non-U&U Property Taxes. (Issues 5-7 & 9-10)	0	(16)
4 Appropriate Payroll Taxes. (Issue 26)	0	<u>(153)</u>
Total	<u>\$0</u>	<u>(\$7,164)</u>

Aqua Utilities Florida, Inc. - Wastewater Band 1
Wastewater Monthly Service Rates
Test Year Ended 4/30/10

Schedule 5-B
Docket No. 100330-WS

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential</u>						
Base Facility Charge All Meter Sizes:	\$17.13	\$21.50	\$37.87	\$24.10	N/A	\$0.48
Gallonge Charge - Per 1,000 gallons (6,000 gallon cap)	\$4.75	\$5.96	\$9.53	\$8.14	N/A	\$0.16
<u>General Service</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$17.13	\$21.50	\$37.87	\$24.10	N/A	\$0.48
3/4"	\$25.70	\$32.25	\$56.81	\$36.15	N/A	\$0.72
1"	\$42.84	\$53.76	\$94.68	\$60.26	N/A	\$1.19
1-1/2"	\$85.66	\$107.49	\$189.36	\$120.51	N/A	\$2.38
2"	\$137.07	\$172.01	\$302.97	\$192.82	N/A	\$3.81
3"	\$274.12	\$343.99	\$605.94	\$385.63	N/A	\$7.63
4"	\$428.00	\$537.48	\$946.78	\$602.55	N/A	\$11.92
6"	\$856.63	\$1,074.98	\$1,893.57	\$1,205.11	N/A	\$23.84
8"	\$1,370.61	\$1,719.97	\$3,029.70	\$1,928.17	N/A	\$38.14
10"	\$1,970.24	\$2,472.44	\$4,355.20	\$2,771.74	N/A	\$54.82
Gallonge Charge, per 1,000 Gallons	\$5.69	\$7.14	\$11.43	\$9.77	N/A	\$0.19
<u>Flat Rate Residential</u>						
Valencia Terrace	\$32.72	\$32.72	\$0.00	N/A	N/A	N/A
Proposed Residential Flat Rate			\$73.91	\$47.77	N/A	\$0.94
Proposed General Service Flat Rate			\$475.78	N/A	N/A	N/A
Reuse per Sprinkler Head			\$0.50	\$0.50	N/A	\$0.01
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$31.38	\$39.38	\$66.46	\$48.54		
5,000 Gallons	\$40.88	\$51.30	\$85.52	\$64.82		
10,000 Gallons	\$45.63	\$57.26	\$95.05	\$72.97		
(Wastewater Gallonge Cap - 6,000 Gallons)						

Aqua Utilities Florida, Inc. - Wastewater Band 2
Schedule of Wastewater Rate Base
Test Year Ended 4/30/10

Schedule 3-B
Docket No. 100330-WS

	Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1	Plant in Service	\$13,928,482	\$1,528,186	\$15,456,668	(\$371,134)	\$15,085,534
2	Land and Land Rights	490,698	(105,812)	384,886	160,093	544,979
3	Non-used and Useful Components	0	(173,991)	(173,991)	(78,098)	(252,089)
4	Accumulated Depreciation	(6,540,493)	40,349	(6,500,144)	129,929	(6,370,215)
5	CIAC	(2,878,828)	0	(2,878,828)	0	(2,878,828)
6	Amortization of CIAC	1,910,455	0	1,910,455	0	1,910,455
7	Working Capital Allowance	0	607,703	607,703	(137,903)	469,800
8	Rate Base	<u>\$6,910,314</u>	<u>\$1,896,435</u>	<u>\$8,806,749</u>	<u>(\$297,113)</u>	<u>\$8,509,636</u>

Aqua Utilities Florida, Inc. - Wastewater Band 2
Adjustments to Rate Base
Test Year Ended 4/30/10

Schedule 3-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	\$0	(\$359,540)
2 Affiliate Audit Adjustment. (Issue 22)	0	(11,593)
Total	<u>\$0</u>	<u>(\$371,134)</u>
<u>Land</u>		
Agreed Upon Audit Adjustments. (Issue 2)	\$0	\$160,093
<u>Non-used and Useful</u>		
Reflect net non-used and useful adjustment. (Issues 5-7 & 9-10)	\$0	<u>(\$78,098)</u>
<u>Accumulated Depreciation</u>		
1 Appropriate Pro Forma Accum Depr. (Issue 3)	\$0	<u>\$125,161</u>
2 Appropriate Allocated Accum. Depr. From Affiliate. (Issue 22)	0	4,768
Total	<u>\$0</u>	<u>\$129,929</u>
<u>Working Capital</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	\$0	\$79,006
2 Appropriate Other Deferred Debits. (Issue 11)	0	2,592
3 Appropriate Accrued Taxes. (Issue 12)	0	(212,998)
4 Deferred Rate Case Expense. (Issue 13)	0	28,769
5 Regulatory Asset Adjustment. (Issue 14)	0	(35,273)
Total	<u>\$0</u>	<u>(\$137,903)</u>

Aqua Utilities Florida, Inc. - Wastewater Band 2
Statement of Wastewater Operations
Test Year Ended 4/30/10

Schedule 4-B
Docket No. 100330-WS

	Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1	Operating Revenues:	<u>\$3,360,115</u>	<u>\$556,647</u>	<u>\$3,916,762</u>	<u>(\$393,645)</u>	<u>\$3,523,117</u>	<u>\$213,320</u> 6.05%	<u>\$3,736,437</u>
	Operating Expenses							
2	Operation & Maintenance	\$1,836,745	\$184,348	\$2,021,093	<u>(\$43,148)</u>	<u>\$1,977,945</u>		<u>\$1,977,945</u>
3	Depreciation	439,738	119,387	559,125	<u>(51,752)</u>	<u>507,373</u>		<u>507,373</u>
4	Amortization	0	11,604	11,604	0	11,604		11,604
5	Taxes Other Than Income	225,313	117,092	342,405	<u>(26,111)</u>	<u>316,294</u>	<u>9,599</u>	<u>325,893</u>
6	Income Taxes	<u>331,096</u>	<u>(16,813)</u>	<u>314,283</u>	<u>(106,472)</u>	<u>207,811</u>	<u>76,660</u>	<u>284,471</u>
7	Total Operating Expense	<u>2,832,892</u>	<u>415,618</u>	<u>3,248,510</u>	<u>(227,483)</u>	<u>3,021,027</u>	<u>86,260</u>	<u>3,107,286</u>
8	Operating Income	<u>\$527,223</u>	<u>\$141,029</u>	<u>\$668,252</u>	<u>(\$166,162)</u>	<u>\$502,090</u>	<u>\$127,061</u>	<u>\$629,151</u>
9	Rate Base	<u>\$6,910,314</u>		<u>\$8,806,749</u>		<u>\$8,509,636</u>		<u>\$8,509,636</u>
10	Rate of Return	<u>7.63%</u>		<u>7.59%</u>		<u>5.90%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Wastewater Band 2		Schedule 4-C	
Adjustment to Operating Income		Docket No. 100330-WS	
Test Year Ended 4/30/10			
Explanation	Water	Wastewater	
<u>Operating Revenues</u>			
Remove requested final revenue increase.	\$0	(\$393,645)	
<u>Operation and Maintenance Expense</u>			
1 Agreed Upon Audit Adjustments. (Issue 2)	\$0	(\$84,541)	
2 Excessive I&I Adjustment (Issue 8)	0	(994)	
3 Adjustment to Disallow Fines and Penalties. (Issue 21)	0	(139)	
4 Affiliate Audit Adjustment. (Issue 22)	0	(2,122)	
5 Sludge Hauling Expense Adj. (Issue 23)	0	(8,313)	
6 Contractual Services Accounting Adjustment (Issue 23)	0	(72)	
7 Contractual Services Legal Adjustment. (Issue 23)	0	(383)	
8 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0	
9 Appropriate Executive Risk Insurance. (Issue 25)	0	(127)	
10 Appropriate Salary & Wages. (Issue 26)	0	(8,929)	
11 Appropriate Bad Debt Expense. (Issue 27)	0	55,296	
12 Appropriate Rate Case Expense. (Issue 28)	0	5,138	
13 Health Insurance Normalization Adj. (Issue 29)	0	2,325	
14 Health Insurance Pro Forma Adj. (Issue 30)	0	232	
15 Insurance - Vehicle Pro Forma Adj. (Issue 30)	0	(218)	
16 Insurance - Other Pro Forma Adj. (Issue 30)	0	(301)	
Total	\$0	(\$43,148)	
<u>Depreciation Expense - Net</u>			
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	\$0	(\$19,609)	
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	0	(6,471)	
3 Appropriate Allocated Depr. Exp. From Affiliates. (Issue 22)	0	(25,672)	
Total	\$0	(\$51,752)	
<u>Taxes Other Than Income</u>			
1 RAFs on revenue adjustments above.	\$0	(\$17,714)	
2 Appropriate Pro Forma Property Taxes. (Issue 3)	0	(6,171)	
3 Remove non-U&U Property Taxes. (Issues 5-7 & 9-10)	0	(1,543)	
4 Appropriate Payroll Taxes. (Issue 26)	0	(683)	
Total	\$0	(\$26,111)	

Aqua Utilities Florida, Inc. - Wastewater Band 2
Wastewater Monthly Service Rates
Test Year Ended 4/30/10

Schedule 5-B
Docket No. 100330-WS

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential</u>						
Base Facility Charge All Meter Sizes:	\$35.44	\$35.44	\$37.87	\$36.52	\$0.83	\$0.39
Gallonge Charge - Per 1,000 gallons (6,000-gallon cap)	\$7.11	\$7.11	\$9.53	\$9.41	\$0.21	\$0.10
<u>General Service</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$35.44	\$35.44	\$37.87	\$36.52	\$0.83	\$0.39
3/4"	\$53.16	\$53.16	\$56.81	\$54.79	\$1.25	\$0.59
1"	\$88.60	\$88.60	\$94.68	\$91.31	\$2.08	\$0.99
1-1/2"	\$177.19	\$177.19	\$189.36	\$182.62	\$4.17	\$1.97
2"	\$283.52	\$283.52	\$302.97	\$292.19	\$6.66	\$3.16
3"	\$567.03	\$567.03	\$605.94	\$584.38	\$13.33	\$6.31
4"	\$885.99	\$885.99	\$946.78	\$913.10	\$20.83	\$9.86
6"	\$1,771.89	\$1,771.89	\$1,893.57	\$1,826.19	\$41.65	\$19.73
8"	\$2,835.19	\$2,835.19	\$3,029.70	\$2,921.91	\$66.65	\$31.57
10"	\$4,075.58	\$4,075.58	\$4,355.20	\$4,200.24	\$95.81	\$45.37
Gallonge Charge, per 1,000 Gallons	\$8.53	\$8.53	\$11.43	\$11.30	\$0.26	\$0.12
<u>Flat Rate Residential</u>						
Sunny Hills	\$56.44	\$56.44	\$0.00	N/A	N/A	N/A
Zephyr Shores	\$47.02	\$47.02	\$0.00	N/A	N/A	N/A
Proposed Residential Flat Rate			\$73.91	\$62.93	\$1.44	\$0.68
Proposed General Service Flat Rate			\$475.78	\$120.16	\$2.74	\$1.30
Reuse per Sprinkler Head			\$0.50	\$0.50	\$0.01	\$0.01
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$56.77	\$56.77	\$66.46	\$64.76		
5,000 Gallons	\$70.99	\$70.99	\$85.52	\$83.59		
10,000 Gallons	\$78.10	\$78.10	\$95.05	\$93.00		
(Wastewater Gallonge Cap - 6,000 Gallons)						

Aqua Utilities Florida, Inc. - Wastewater Band 3
Schedule of Wastewater Rate Base
Test Year Ended 4/30/10

Schedule 3-B
Docket No. 100330-WS

	Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1	Plant in Service	\$3,677,330	\$199,857	\$3,877,187	(\$154,415)	\$3,722,772
2	Land and Land Rights	155,033	0	155,033	0	155,033
3	Non-used and Useful Components	0	0	0	0	0
4	Accumulated Depreciation	(1,089,003)	(25,821)	(1,114,824)	4,380	(1,110,444)
5	CIAC	(422,578)	0	(422,578)	0	(422,578)
6	Amortization of CIAC	207,858	0	207,858	0	207,858
7	Working Capital Allowance	<u>0</u>	<u>72,153</u>	<u>72,153</u>	<u>10,638</u>	<u>82,791</u>
8	Rate Base	<u>\$2,528,640</u>	<u>\$246,189</u>	<u>\$2,774,829</u>	<u>(\$139,398)</u>	<u>\$2,635,431</u>

Aqua Utilities Florida, Inc. - Wastewater Band 3		Schedule 3-C	
Adjustments to Rate Base		Docket No. 100330-WS	
Test Year Ended 4/30/10			
Explanation	Water	Wastewater	
<u>Plant In Service</u>			
1	Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	\$0	(\$124,748)
2	Affiliate Audit Adjustment. (Issue 22)	<u>0</u>	<u>(29,667)</u>
	Total	<u>\$0</u>	<u>(\$154,415)</u>
<u>Accumulated Depreciation</u>			
1	Appropriate Pro Forma Accum Depr. (Issue 3)	\$0	(\$8,097)
2	Appropriate Allocated Accum. Depr. From Affiliate. (Issue 22)	<u>0</u>	<u>12,477</u>
	Total	<u>\$0</u>	<u>\$4,380</u>
<u>Working Capital</u>			
1	Appropriate Other Deferred Debits. (Issue 11)	\$0	\$336
2	Appropriate Accrued Taxes. (Issue 12)	0	(27,600)
3	Deferred Rate Case Expense. (Issue 13)	<u>0</u>	<u>2,629</u>
4	Regulatory Asset Adjustment. (Issue 14)	<u>0</u>	<u>35,273</u>
	Total	<u>\$0</u>	<u>\$10,638</u>

Aqua Utilities Florida, Inc. - Wastewater Band 3
Statement of Wastewater Operations
Test Year Ended 4/30/10

Schedule 4-B
Docket No. 100330-WS

	Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1	Operating Revenues:	<u>\$401,648</u>	<u>\$523,730</u>	<u>\$925,378</u>	<u>(\$506,211)</u>	<u>\$419,167</u>	<u>\$501,882</u> 119.73%	<u>\$921,049</u>
	Operating Expenses							
2	Operation & Maintenance	\$365,583	\$11,692	\$377,275	(\$73,397)	\$303,878		\$303,878
3	Depreciation	124,914	14,149	139,063	(14,912)	124,151		124,151
4	Amortization	0	871	871	109,070	109,941		109,941
5	Taxes Other Than Income	21,394	81,175	102,569	(25,023)	77,546	22,585	100,131
6	Income Taxes	(42,526)	140,310	97,784	(190,043)	(92,259)	180,360	88,101
7	Total Operating Expense	<u>469,365</u>	<u>248,197</u>	<u>717,562</u>	<u>(194,305)</u>	<u>523,257</u>	<u>202,944</u>	<u>726,201</u>
8	Operating Income	<u>(\$67,717)</u>	<u>\$275,533</u>	<u>\$207,816</u>	<u>(\$311,906)</u>	<u>(\$104,090)</u>	<u>\$298,938</u>	<u>\$194,848</u>
9	Rate Base	<u>\$2,528,640</u>		<u>\$2,774,829</u>		<u>\$2,635,431</u>		<u>\$2,635,431</u>
10	Rate of Return	<u>-2.68%</u>		<u>7.49%</u>		<u>-3.95%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Wastewater Band 3
Adjustment to Operating Income
Test Year Ended 4/30/10

Schedule 4-C
Docket No. 100330-WS

<u>Explanation</u>	<u>Water</u>	<u>Wastewater</u>
<u>Operating Revenues</u>		
Remove requested final revenue increase.	\$0	(\$506,211)
<u>Operation and Maintenance Expense</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	\$0	(\$21,043)
2 Excessive I&I Adjustment (Issue 8)	0	(22,606)
3 Adjustment to Disallow Fines and Penalties. (Issue 21)	0	(5)
4 Affiliate Audit Adjustment. (Issue 22)	0	(17,951)
5 Sludge Hauling Expense Adj. (Issue 23)	0	(102)
6 Contractual Services Accounting Adjustment (Issue 23)	0	(872)
7 Contractual Services Legal Adjustment. (Issue 23)	0	(4,644)
8 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0
9 Appropriate Executive Risk Insurance. (Issue 25)	0	(1,533)
10 Appropriate Salary & Wages. (Issue 26)	0	(2,907)
11 Appropriate Bad Debt Expense. (Issue 27)	0	(2,522)
12 Appropriate Rate Case Expense. (Issue 28)	0	631
13 Health Insurance Normalization Adj. (Issue 29)	0	203
14 Health Insurance Pro Forma Adj. (Issue 30)	0	20
15 Insurance - Vehicle Pro Forma Adj. (Issue 30)	0	(28)
16 Insurance - Other Pro Forma Adj. (Issue 30)	0	(39)
Total	\$0	(\$73,397)
<u>Depreciation Expense - Net</u>		
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	\$0	(\$3,585)
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	0	0
3 Appropriate Allocated Depr. Exp. From Affiliates. (Issue 22)	0	(11,327)
Total	\$0	(\$14,912)
<u>Amortization-Other Expense</u>		
Appropriate Regulatory Asset. (Issue 47)	\$0	\$109,070
<u>Taxes Other Than Income</u>		
1 RAFs on revenue adjustments above.	\$0	(\$22,779)
2 Appropriate Pro Forma Property Taxes. (Issue 3)	0	(2,021)
3 Appropriate Payroll Taxes. (Issue 26)	0	(222)
Total	\$0	(\$25,023)

Aqua Utilities Florida, Inc. - Wastewater Band 3						Schedule 5-B	
Wastewater Monthly Service Rates						Docket No. 100330-WS	
Test Year Ended 4/30/10							
	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction	
<u>Residential</u>							
Base Facility Charge All Meter Sizes:	\$29.41	\$33.82	\$37.87	\$36.52	\$0.83	\$0.39	
Gallonge Charge - Per 1,000 gallons (6,000 gallon cap)	\$8.99	\$10.34	\$9.53	\$9.41	\$0.21	\$0.10	
<u>General Service</u>							
Base Facility Charge by Meter Size:							
5/8" x 3/4"	\$29.41	\$33.82	\$37.87	\$36.52	\$0.83	\$0.39	
3/4"	\$44.12	\$50.74	\$56.81	\$54.79	\$1.25	\$0.59	
1"	\$73.53	\$84.57	\$94.68	\$91.31	\$2.08	\$0.99	
1-1/2"	\$147.07	\$169.14	\$189.36	\$182.62	\$4.17	\$1.97	
2"	\$235.31	\$270.63	\$302.97	\$292.19	\$6.66	\$3.16	
3"	\$470.63	\$541.26	\$605.94	\$584.38	\$13.33	\$6.31	
4"	\$735.35	\$845.71	\$946.78	\$913.10	\$20.83	\$9.86	
6"	\$1,470.70	\$1,691.42	\$1,893.57	\$1,826.19	\$41.65	\$19.73	
8"	\$2,353.13	\$2,706.29	\$3,029.70	\$2,921.91	\$66.65	\$31.57	
10"	\$3,382.61	\$3,890.27	\$4,355.20	\$4,200.24	\$95.81	\$45.37	
Gallonge Charge, per 1,000 Gallons	\$10.78	\$12.40	\$11.43	\$11.30	\$0.26	\$0.12	
<u>Flat Rate Residential</u>							
Jungle Den	\$39.73	\$45.69	\$0.00	N/A	N/A	N/A	
Lake Gibson Estates	\$83.33	\$95.84	\$0.00	N/A	N/A	N/A	
<u>Flat Rate General Service</u>							
Lake Gibson Estates	\$518.69	\$596.54	\$0.00	N/A	N/A	N/A	
Proposed Residential Flat Rate			\$73.91	\$62.93	\$1.44	\$0.68	
Proposed General Service Flat Rate			\$475.78	\$120.16	\$2.74	\$1.30	
Reuse per Sprinkler Head			\$0.50	\$0.50	\$0.01	\$0.01	
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>							
3,000 Gallons	\$56.38	\$64.84	\$66.46	\$64.76			
5,000 Gallons	\$74.36	\$85.52	\$85.52	\$83.59			
10,000 Gallons	\$83.35	\$95.86	\$95.05	\$93.00			
(Wastewater Gallonge Cap - 6,000 Gallons)							

Aqua Utilities Florida, Inc. - Wastewater Band 4
 Schedule of Wastewater Rate Base
 Test Year Ended 4/30/10

Schedule 3-B
 Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1 Plant in Service	\$2,683,843	\$260,253	\$2,944,096	(\$217,445)	\$2,726,651
2 Land and Land Rights	149,000	0	149,000	0	149,000
3 Non-used and Useful Components	0	(113,923)	(113,923)	(45,181)	(159,104)
4 Accumulated Depreciation	(1,174,028)	(17,559)	(1,191,587)	(16,053)	(1,207,640)
5 CIAC	(620,692)	0	(620,692)	0	(620,692)
6 Amortization of CIAC	382,728	0	382,728	0	382,728
7 Working Capital Allowance	<u>0</u>	<u>68,270</u>	<u>68,270</u>	<u>2,673</u>	<u>70,943</u>
8 Rate Base	<u>\$1,420,851</u>	<u>\$197,041</u>	<u>\$1,617,892</u>	<u>(\$276,006)</u>	<u>\$1,341,886</u>

Aqua Utilities Florida, Inc. - Wastewater Band 4
Adjustments to Rate Base
Test Year Ended 4/30/10

Schedule 3-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	\$0	(\$216,878)
2 Affiliate Audit Adjustment. (Issue 22)	0	(567)
Total	<u>\$0</u>	<u>(\$217,445)</u>
<u>Non-used and Useful</u>		
Reflect net non-used and useful adjustment. (Issues 5-7 & 9-10)	<u>\$0</u>	<u>(\$45,181)</u>
<u>Accumulated Depreciation</u>		
1 Appropriate Pro Forma Accum Depr. (Issue 3)	\$0	(\$16,290)
2 Appropriate Allocated Accum. Depr. From Affiliate. (Issue 22)	0	236
Total	<u>\$0</u>	<u>(\$16,053)</u>
<u>Working Capital</u>		
1 Appropriate Other Deferred Debits. (Issue 11)	\$0	\$54
2 Appropriate Accrued Taxes. (Issue 12)	0	(4,403)
3 Deferred Rate Case Expense. (Issue 13)	0	7,022
Total	<u>\$0</u>	<u>\$2,673</u>

Aqua Utilities Florida, Inc. - Wastewater Band 4
Statement of Wastewater Operations
Test Year Ended 4/30/10

Schedule 4-B
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$490,352</u>	<u>\$70,073</u>	<u>\$560,425</u>	<u>(\$26,887)</u>	<u>\$533,538</u>	<u>(\$28,688)</u> -5.38%	<u>\$504,850</u>
Operating Expenses							
2 Operation & Maintenance	\$268,984	\$6,979	\$275,963	<u>(\$703)</u>	<u>\$275,260</u>		<u>\$275,260</u>
3 Depreciation	25,126	10,878	36,004	<u>(12,162)</u>	<u>23,842</u>		<u>23,842</u>
4 Amortization	0	817	817	0	817		817
5 Taxes Other Than Income	48,154	19,329	67,483	<u>(5,331)</u>	<u>62,152</u>	<u>(1,291)</u>	<u>60,861</u>
6 Income Taxes	<u>57,125</u>	<u>531</u>	<u>57,656</u>	<u>(2,488)</u>	<u>55,168</u>	<u>(10,310)</u>	<u>44,858</u>
7 Total Operating Expense	<u>399,389</u>	<u>38,534</u>	<u>437,923</u>	<u>(20,684)</u>	<u>417,239</u>	<u>(11,601)</u>	<u>405,639</u>
8 Operating Income	<u>\$90,963</u>	<u>\$31,539</u>	<u>\$122,502</u>	<u>(\$6,203)</u>	<u>\$116,299</u>	<u>(\$17,088)</u>	<u>\$99,211</u>
9 Rate Base	<u>\$1,420,851</u>		<u>\$1,617,892</u>		<u>\$1,341,886</u>		<u>\$1,341,886</u>
10 Rate of Return	<u>6.40%</u>		<u>7.57%</u>		<u>8.67%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Wastewater Band 4		Schedule 4-C	
Adjustment to Operating Income		Docket No. 100330-WS	
Test Year Ended 4/30/10			
Explanation	Water	Wastewater	
<u>Operating Revenues</u>			
Remove requested final revenue increase.	\$0	(\$26,887)	
<u>Operation and Maintenance Expense</u>			
1 Agreed Upon Audit Adjustments. (Issue 2)	\$0	\$988	
2 Adjustment to Disallow Fines and Penalties. (Issue 21)	0	(1)	
3 Affiliate Audit Adjustment. (Issue 22)	0	(249)	
4 Sludge Hauling Expense Adj. (Issue 23)	0	(744)	
5 Contractual Services Accounting Adjustment (Issue 23)	0	(12)	
6 Contractual Services Legal Adjustment. (Issue 23)	0	(61)	
7 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0	
8 Appropriate Executive Risk Insurance. (Issue 25)	0	(20)	
9 Appropriate Salary & Wages. (Issue 26)	0	(1,864)	
10 Appropriate Bad Debt Expense. (Issue 27)	0	283	
11 Appropriate Rate Case Expense. (Issue 28)	0	313	
12 Health Insurance Normalization Adj. (Issue 29)	0	615	
13 Health Insurance Pro Forma Adj. (Issue 30)	0	62	
14 Insurance - Vehicle Pro Forma Adj. (Issue 30)	0	(5)	
15 Insurance - Other Pro Forma Adj. (Issue 30)	0	(7)	
Total	\$0	(\$703)	
<u>Depreciation Expense - Net</u>			
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	\$0	(\$12,106)	
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	0	569	
3 Appropriate Allocated Depr. Exp. From Affiliates. (Issue 22)	0	(624)	
Total	\$0	(\$12,162)	
<u>Taxes Other Than Income</u>			
1 RAFs on revenue adjustments above.	\$0	(\$1,210)	
2 Appropriate Pro Forma Property Taxes. (Issue 3)	0	(3,606)	
3 Remove non-U&U Property Taxes. (Issues 5-7 & 9-10)	0	(373)	
4 Appropriate Payroll Taxes. (Issue 26)	0	(143)	
Total	\$0	(\$5,331)	

Aqua Utilities Florida, Inc. - Wastewater Band 4
Wastewater Monthly Service Rates
Test Year Ended 4/30/10

Schedule 5-B
Docket No. 100330-WS

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential</u>						
Base Facility Charge All Meter Sizes:	\$75.47	\$75.47	\$37.87	\$79.24	N/A	\$0.42
Gallorage Charge - Per 1,000 gallons (6,000 gallon cap)	\$9.37	\$9.37	\$9.53	\$7.97	N/A	\$0.04
<u>General Service</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$75.47	\$75.47	\$37.87	\$79.24	N/A	\$0.42
3/4"	\$113.22	\$113.22	\$56.81	\$118.86	N/A	\$0.64
1"	\$188.69	\$188.69	\$94.68	\$198.09	N/A	\$1.06
1-1/2"	\$377.39	\$377.39	\$189.36	\$396.19	N/A	\$2.12
2"	\$603.82	\$603.82	\$302.97	\$633.90	N/A	\$3.40
3"	\$1,207.65	\$1,207.65	\$605.94	\$1,267.79	N/A	\$6.80
4"	\$1,886.95	\$1,886.95	\$946.78	\$1,980.93	N/A	\$10.62
6"	\$3,773.89	\$3,773.89	\$1,893.57	\$3,961.85	N/A	\$21.24
8"	\$6,038.22	\$6,038.22	\$3,029.70	\$6,338.97	N/A	\$33.99
10"	\$8,679.95	\$8,679.95	\$4,355.20	\$9,112.27	N/A	\$48.86
Gallorage Charge, per 1,000 Gallons	\$11.25	\$11.25	\$11.43	\$9.57	N/A	\$0.05
<u>General Service Wastewater Only</u>						
Proposed Residential Flat Rate			\$73.91	N/A	N/A	N/A
Proposed General Service Flat Rate			\$475.78	N/A	N/A	N/A
Reuse per Sprinkler Head	\$0.10	\$0.10	\$0.50	\$0.50	N/A	\$0.01
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$103.58	\$103.58	\$66.46	\$103.16		
5,000 Gallons	\$122.32	\$122.32	\$85.52	\$119.11		
10,000 Gallons	\$131.69	\$131.69	\$95.05	\$127.08		
(Wastewater Gallorage Cap - 6,000 Gallons)						

Aqua Utilities Florida, Inc. - Breeze Hill
 Schedule of Water Rate Base
 Test Year Ended 4/30/10

Schedule 3-A
 Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1 Plant in Service	\$43,489	\$136,550	\$180,039	(\$1,401)	\$178,638
2 Land and Land Rights	0	2,997	2,997	0	2,997
3 Non-used and Useful Components	0	0	0	0	0
4 Accumulated Depreciation	(1,599)	(85,750)	(87,349)	(392)	(87,741)
5 CIAC	(681)	(32,023)	(32,704)	0	(32,704)
6 Amortization of CIAC	33	32,023	32,056	0	32,056
7 Working Capital Allowance	<u>0</u>	<u>15,184</u>	<u>15,184</u>	<u>(7,967)</u>	<u>7,217</u>
8 Rate Base	<u>\$41,242</u>	<u>\$68,981</u>	<u>\$110,223</u>	<u>(\$9,759)</u>	<u>\$100,464</u>

Aqua Utilities Florida, Inc. - Breeze Hill
Schedule of Wastewater Rate Base
Test Year Ended 4/30/10

Schedule 3-B
Docket No. 100330-WS

	Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1	Plant in Service	\$15,169	\$367,187	\$382,356	(\$94,717)	\$287,639
2	Land and Land Rights	0	18,519	18,519	0	18,519
3	Non-used and Useful Components	0	(310)	(310)	(726)	(1,036)
4	Accumulated Depreciation	(530)	(248,771)	(249,301)	(2,794)	(252,095)
5	CIAC	(692)	(118,503)	(119,195)	0	(119,195)
6	Amortization of CIAC	39	118,503	118,542	0	118,542
7	Working Capital Allowance	<u>0</u>	<u>14,704</u>	<u>14,704</u>	<u>(7,936)</u>	<u>6,768</u>
8	Rate Base	<u>\$13,986</u>	<u>\$151,329</u>	<u>\$165,315</u>	<u>(\$106,173)</u>	<u>\$59,142</u>

Aqua Utilities Florida, Inc. - Breeze Hill

Schedule 3-C

Adjustments to Rate Base

Docket No. 100330-WS

Test Year Ended 4/30/10

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	(\$612)	(\$93,928)
2 Appropriate Allocated Plant from Affiliate. (Issue 22)	(789)	(789)
Total	<u>(\$1,401)</u>	<u>(\$94,717)</u>
<u>Non-used and Useful</u>		
Reflect net non-used and useful adjustment. (Issues 5-7 & 9-10)	\$0	(\$726)
<u>Accumulated Depreciation</u>		
1 Appropriate Pro Forma Accum. Depr. (Issue 3)	(\$721)	(\$3,123)
2 Appropriate Allocated Accum. Depr. from Affiliate. (Issue 22)	329	329
Total	<u>(\$392)</u>	<u>(\$2,794)</u>
<u>Working Capital</u>		
1 Appropriate Other Deferred Debits. (Issue 11)	\$75	\$73
2 Appropriate Accrued Taxes. (Issue 12)	(6,130)	(6,130)
3 Deferred Rate Case Expense. (Issue 13)	(1,912)	(1,880)
Total	<u>(\$7,967)</u>	<u>(\$7,936)</u>

Aqua Utilities Florida, Inc. - Breeze Hill
Statement of Water Operations
Test Year Ended 4/30/10

Schedule 4-A
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$30,232</u>	<u>\$36,525</u>	<u>\$66,757</u>	<u>(\$36,321)</u>	<u>\$30,436</u>	<u>\$34,002</u> 111.72%	<u>\$64,438</u>
Operating Expenses							
2 Operation & Maintenance	\$28,149	\$3,867	\$32,016	(\$1,648)	\$30,368		\$30,368
3 Depreciation	1,876	12,839	14,715	(970)	13,745		13,745
4 Amortization	0	0	0	2,390	2,390		2,390
5 Taxes Other Than Income	6,628	642	7,270	(1,652)	5,618	1,530	7,148
6 Income Taxes	(2,477)	6,555	4,078	(12,939)	(8,861)	12,219	3,358
7 Total Operating Expense	<u>\$34,176</u>	<u>\$23,903</u>	<u>\$58,079</u>	<u>(\$14,818)</u>	<u>\$43,261</u>	<u>\$13,749</u>	<u>\$57,010</u>
8 Operating Income	<u>(\$3,944)</u>	<u>\$12,622</u>	<u>\$8,678</u>	<u>(\$21,503)</u>	<u>(\$12,825)</u>	<u>\$20,252</u>	<u>\$7,428</u>
9 Rate Base	<u>\$41,242</u>		<u>\$110,223</u>		<u>\$100,464</u>		<u>\$100,464</u>
10 Rate of Return	<u>-9.56%</u>		<u>7.87%</u>		<u>-12.77%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Breeze Hill
Statement of Wastewater Operations
Test Year Ended 4/30/10

Schedule 4-B
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$35,049</u>	<u>\$60,183</u>	<u>\$95,232</u>	<u>(\$59,746)</u>	<u>\$35,486</u>	<u>\$30,321</u> 85.45%	<u>\$65,807</u>
Operating Expenses							
2 Operation & Maintenance	\$45,222	\$6,367	\$51,589	(\$7,853)	\$43,736		\$43,736
3 Depreciation	596	15,415	16,011	(4,031)	11,980		11,980
4 Amortization	0	0	0	0	0		0
5 Taxes Other Than Income	2,762	5,740	8,502	(6,124)	2,378	1,364	3,742
6 Income Taxes	(5,219)	11,336	6,117	(15,036)	(8,919)	10,896	1,977
7 Total Operating Expense	<u>\$43,361</u>	<u>\$38,858</u>	<u>\$82,219</u>	<u>(\$33,045)</u>	<u>\$49,174</u>	<u>\$12,261</u>	<u>\$61,435</u>
8 Operating Income	<u>(\$8,312)</u>	<u>\$21,325</u>	<u>\$13,013</u>	<u>(\$26,701)</u>	<u>(\$13,688)</u>	<u>\$18,060</u>	<u>\$4,373</u>
9 Rate Base	<u>\$13,986</u>		<u>\$165,315</u>		<u>\$59,142</u>		<u>\$59,142</u>
10 Rate of Return	<u>-59.43%</u>		<u>7.87%</u>		<u>-23.14%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Breeze Hill
Adjustment to Operating Income
Test Year Ended 4/30/10

Schedule 4-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
Remove requested final revenue increase.	<u>(\$36,321)</u>	<u>(\$59,746)</u>
<u>Operation and Maintenance Expense</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	(\$942)	(\$298)
2 Excessive I&I Adjustment. (Issue 8)	0	(5,098)
3 Adjustment to Disallow Fines and Penalties. (Issue 21)	(1)	(1)
4 Appropriate Allocated O&M Exp. from Affiliates. (Issue 22)	(346)	(346)
5 Sludge Hauling Expense Adj. (Issues 23 and 29)	0	(1,747)
6 Contractual Services Accounting Adjustment. (Issue 23)	(16)	(16)
7 Contractual Services Legal Adjustment. (Issue 23)	(85)	(85)
8 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0
9 Appropriate Executive Risk Insurance. (Issue 25)	(28)	(28)
10 Appropriate Salary & Wages. (Issue 26)	(233)	(404)
11 Appropriate Bad Debt Expense. (Issue 27)	(137)	18
12 Appropriate Rate Case Expense. (Issue 28)	133	133
13 Health Insurance Normalization Adj. (Issue 29)	22	30
14 Health Insurance Pro Forma Adj. (Issue 30)	2	3
15 Insurance - Vehicle Pro Forma Adj. (Issue 30)	(6)	(6)
16 Insurance - Other Pro Forma Adj. (Issue 30)	(9)	(9)
Total	<u>(\$1,648)</u>	<u>(\$7,853)</u>
<u>Depreciation Expense - Net</u>		
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	(\$101)	(\$2,149)
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	0	(1,014)
3 Appropriate Allocated Depr. Exp. from Affiliates. (Issue 22)	(869)	(869)
Total	<u>(\$970)</u>	<u>(\$4,031)</u>
<u>Amortization-Other Expense</u>		
Appropriate Regulatory Asset. (Issue 47)	<u>\$2,390</u>	<u>\$0</u>
<u>Taxes Other Than Income</u>		
1 RAFs on Revenue Adjustments above.	(\$1,634)	(\$2,689)
2 Appropriate Pro Forma Property Taxes. (Issue 3)	0	(3,278)
3 Remove non-U&U Property Taxes. (Issues 5-7 & 9-10)	0	(127)
4 Appropriate Payroll Taxes. (Issue 26)	(18)	(31)
Total	<u>(\$1,652)</u>	<u>(\$6,124)</u>

Aqua Utilities Florida, Inc. - Breeze Hill
Water Monthly Service Rates
Test Year Ended 4/30/10

Schedule 5-A
Docket No. 100330-WS

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential, General Service and Multi-Family</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$15.51	\$26.79	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$23.27	\$40.20	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$38.77	\$66.97	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$77.53	\$133.92	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$124.06	\$214.29	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$248.11	\$428.57	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$387.68	\$669.65	\$441.39	\$473.66	\$13.27	\$6.86
6"	\$775.37	\$1,339.32	\$882.78	\$947.32	\$26.53	\$13.73
8"	\$0.00	\$0.00	\$1,412.44	\$1,515.71	\$42.45	\$21.96
10"	\$0.00	\$0.00	\$2,030.39	\$2,178.83	\$61.03	\$31.57
Gallage Charge RS Tier One	\$2.70	\$4.66	\$6.49	\$6.34	\$0.18	\$0.09
Gallage Charge RS Tier Two	\$2.70	\$4.66	\$9.73	\$9.51	\$0.27	\$0.14
Gallage Charge RS Tier Three	\$2.70	\$4.66	\$12.98	\$12.68	\$0.36	\$0.18
Gallage Charge GS	\$2.70	\$4.66	\$6.98	\$7.16	\$0.20	\$0.10
<u>Irrigation</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$15.51	\$26.79	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$15.51	\$26.79	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$15.51	\$26.79	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$15.51	\$26.79	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$15.51	\$26.79	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$15.51	\$26.79	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$15.51	\$26.79	\$441.39	\$473.66	\$13.27	\$6.86
Gallage Charge Tier One	\$2.70	\$4.66	\$6.49	\$6.34	\$0.18	\$0.09
Gallage Charge Tier Two	\$2.70	\$4.66	\$9.73	\$9.51	\$0.27	\$0.14
Gallage Charge Tier Three	\$2.70	\$4.66	\$12.98	\$12.68	\$0.36	\$0.18
<u>Private Fire Protection</u>						
Base Facility Charge by Meter Size:						
2"	\$0.00	\$0.00	\$11.77	\$12.63	\$0.35	\$0.18
3"	\$0.00	\$0.00	\$23.54	\$25.26	\$0.71	\$0.37
4"	\$0.00	\$0.00	\$36.78	\$39.47	\$1.11	\$0.57
6"	\$0.00	\$0.00	\$73.57	\$78.94	\$2.21	\$1.14
8"	\$0.00	\$0.00	\$117.70	\$126.31	\$3.54	\$1.83
10"	\$0.00	\$0.00	\$169.20	\$181.57	\$5.09	\$2.63
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$23.61	\$40.77	\$37.13	\$37.97		
5,000 Gallons	\$29.01	\$50.09	\$50.11	\$50.65		
10,000 Gallons	\$42.51	\$73.39	\$95.52	\$95.03		

**Aqua Utilities Florida, Inc. - Breeze Hill
Wastewater Monthly Service Rates
Test Year Ended 4/30/10**

**Schedule 5-B
Docket No. 100330-WS**

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential</u>						
Base Facility Charge All Meter Sizes:	\$19.04	\$39.02	\$37.87	\$36.52	\$0.83	\$0.39
Gallonge Charge - Per 1,000 gallons (6,000 gallon cap)	\$3.39	\$6.95	\$9.53	\$9.41	\$0.21	\$0.10
<u>General Service</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$19.04	\$39.02	\$37.87	\$36.52	\$0.83	\$0.39
3/4"	\$28.57	\$58.55	\$56.81	\$54.79	\$1.25	\$0.59
1"	\$47.59	\$97.52	\$94.68	\$91.31	\$2.08	\$0.99
1-1/2"	\$95.21	\$195.10	\$189.36	\$182.62	\$4.17	\$1.97
2"	\$152.34	\$312.17	\$302.97	\$292.19	\$6.66	\$3.16
3"	\$304.70	\$624.39	\$605.94	\$584.38	\$13.33	\$6.31
4"	\$476.02	\$975.46	\$946.78	\$913.10	\$20.83	\$9.86
6"	\$952.05	\$1,950.94	\$1,893.57	\$1,826.19	\$41.65	\$19.73
8"	\$0.00	\$0.00	\$3,029.70	\$2,921.91	\$66.65	\$31.57
10"	\$0.00	\$0.00	\$4,355.20	\$4,200.24	\$95.81	\$45.37
Gallonge Charge, per 1,000 Gallons	\$4.05	\$8.30	\$11.43	\$11.30	\$0.26	\$0.12
Proposed Residential Flat Rate			\$73.91	\$62.93	\$1.44	\$0.68
Proposed General Service Flat Rate			\$475.78	\$120.16	\$2.74	\$1.30
Reuse per Sprinkler Head			\$0.50	\$0.50	\$0.01	\$0.01
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$29.21	\$59.87	\$66.46	\$64.76		
5,000 Gallons	\$35.99	\$73.77	\$85.52	\$83.59		
10,000 Gallons	\$39.38	\$80.72	\$95.05	\$93.00		
(Wastewater Gallonge Cap - 6,000 Gallons)						

Aqua Utilities Florida, Inc. - Fairways
Statement of Water Operations
Test Year Ended 4/30/10

Schedule 4-A
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$136,226</u>	<u>\$73,075</u>	<u>\$209,301</u>	<u>(\$75,455)</u>	<u>\$133,846</u>	<u>\$48,897</u> <u>36.53%</u>	<u>\$182,743</u>
Operating Expenses							
2 Operation & Maintenance	\$83,654	\$13,759	\$97,413	<u>(\$16,561)</u>	<u>\$80,852</u>		<u>\$80,852</u>
3 Depreciation	5,982	8,479	14,461	(3,108)	11,353		11,353
4 Amortization	3,340	0	3,340	0	3,340		3,340
5 Taxes Other Than Income	51,630	3,376	55,006	(3,461)	51,545	<u>2,200</u>	<u>53,746</u>
6 Income Taxes	<u>(3,232)</u>	<u>15,726</u>	<u>12,494</u>	<u>(19,650)</u>	<u>(7,156)</u>	<u>17,572</u>	<u>10,416</u>
7 Total Operating Expense	<u>\$141,374</u>	<u>\$41,340</u>	<u>\$182,714</u>	<u>(\$42,780)</u>	<u>\$139,934</u>	<u>\$19,772</u>	<u>\$159,706</u>
8 Operating Income	<u>(\$5,148)</u>	<u>\$31,735</u>	<u>\$26,587</u>	<u>(\$32,675)</u>	<u>(\$6,088)</u>	<u>\$29,125</u>	<u>\$23,037</u>
9 Rate Base	<u>\$244,290</u>		<u>\$334,888</u>		<u>\$311,589</u>		<u>\$311,589</u>
10 Rate of Return	<u>-2.11%</u>		<u>7.94%</u>		<u>-1.95%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Fairways
Statement of Wastewater Operations
Test Year Ended 4/30/10

Schedule 4-B
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	\$79,634	\$115,633	\$195,267	(\$115,345)	\$79,922	\$104,338 130.55%	\$184,260
Operating Expenses							
2 Operation & Maintenance	\$87,349	\$7,768	\$95,117	(\$2,842)	\$92,275		\$92,275
3 Depreciation	33,898	4,321	38,219	(1,694)	36,525		36,525
4 Amortization	7,820	0	7,820	0	7,820		7,820
5 Taxes Other Than Income	4,706	5,987	10,693	(5,223)	5,470	4,695	10,165
6 Income Taxes	(20,885)	34,764	13,879	(39,706)	(25,827)	37,496	11,668
7 Total Operating Expense	\$112,888	\$52,840	\$165,728	(\$49,465)	\$116,263	\$42,191	\$158,454
8 Operating Income	(\$33,254)	\$62,793	\$29,539	(\$65,880)	(\$36,341)	\$62,147	\$25,806
9 Rate Base	\$327,722		\$372,067		\$349,043		\$349,043
10 Rate of Return	-10.15%		7.94%		-10.41%		7.39%

**Aqua Utilities Florida, Inc. - Fairways
Adjustment to Operating Income
Test Year Ended 4/30/10**

**Schedule 4-C
Docket No. 100330-WS**

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
Remove requested final revenue increase.	<u>(\$75,455)</u>	<u>(\$115,345)</u>
<u>Operation and Maintenance Expense</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	(\$515)	(\$1,314)
2 Adjustment to Disallow Fines and Penalties. (Issue 21)	(2)	(3)
3 Appropriate Allocated O&M Exp. from Affiliates. (Issue 22)	(900)	(660)
4 Sludge Hauling Expense Adj. (Issue 23)	0	(534)
5 Contractual Services Accounting Adjustment. (Issue 23)	(41)	(31)
6 Contractual Services Legal Adjustment. (Issue 23)	(216)	(162)
7 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0
8 Appropriate Executive Risk Insurance. (Issue 25)	(71)	(54)
9 Appropriate Salary & Wages. (Issue 26)	(852)	(425)
10 Appropriate Bad Debt Expense. (Issue 27)	(303)	84
11 Appropriate Rate Case Expense. (Issue 28)	484	250
12 Health Insurance Normalization Adj. (Issue 29)	48	33
13 Health Insurance Pro Forma Adj. (Issue 30)	5	3
14 Insurance - Vehicle Pro Forma Adj. (Issue 30)	(24)	(12)
15 Insurance - Other Pro Forma Adj. (Issue 30)	(33)	(17)
16 Adjustment to Remove Duplicative Bills (Issue 31)	<u>(14,142)</u>	<u>0</u>
Total	<u>(\$16,561)</u>	<u>(\$2,842)</u>
<u>Depreciation Expense - Net</u>		
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	(\$948)	\$0
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	0	0
3 Appropriate Allocated Depr. Exp. from Affiliates. (Issue 22)	<u>(2,160)</u>	<u>(1,694)</u>
Total	<u>(\$3,108)</u>	<u>(\$1,694)</u>
<u>Taxes Other Than Income</u>		
1 RAFs on revenue adjustments above.	(\$3,395)	(\$5,191)
2 Appropriate Pro Forma Property Taxes. (Issue 3)	0	0
3 Appropriate Payroll Taxes. (Issue 26)	<u>(65)</u>	<u>(33)</u>
Total	<u>(\$3,461)</u>	<u>(\$5,223)</u>

**Aqua Utilities Florida, Inc. - Fairways
Water Monthly Service Rates
Test Year Ended 4/30/10**

**Schedule 5-A
Docket No. 100330-WS**

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	2-year Rate Reduction	4-year Rate Reduction
<u>Residential, General Service and Multi-Family</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$7.59	\$10.68	\$17.66	\$20.22	N/A	\$0.42
3/4"	\$7.59	\$10.68	\$17.66	\$30.33	N/A	\$0.63
1"	\$7.59	\$10.68	\$26.48	\$50.56	N/A	\$1.05
1-1/2"	\$7.59	\$10.68	\$44.14	\$101.11	N/A	\$2.10
2"	\$7.59	\$10.68	\$88.28	\$161.78	N/A	\$3.36
3"	\$7.59	\$10.68	\$141.24	\$323.56	N/A	\$6.73
4"	\$7.59	\$10.68	\$282.49	\$505.56	N/A	\$10.51
6"	\$7.59	\$10.68	\$882.78	\$1,011.12	N/A	\$21.03
8"	\$7.59	\$10.68	\$1,412.44	\$1,617.80	N/A	\$33.64
10"	\$7.59	\$10.68	\$2,030.39	\$2,325.58	N/A	\$48.36
Gallage Charge RS Tier One	\$1.77	\$2.49	\$6.49	\$3.62	N/A	\$0.08
Gallage Charge RS Tier Two	\$1.77	\$2.49	\$9.73	\$6.82	N/A	\$0.14
Gallage Charge RS Tier Three	\$1.77	\$2.49	\$12.98	\$10.24	N/A	\$0.21
Gallage Charge GS	\$1.77	\$2.49	\$6.98	\$5.17	N/A	\$0.11
<u>Irrigation</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$7.59	\$10.68	\$17.66	\$20.22	N/A	\$0.42
3/4"	\$7.59	\$10.68	\$26.48	\$30.33	N/A	\$0.63
1"	\$7.59	\$10.68	\$44.14	\$50.56	N/A	\$1.05
1-1/2"	\$7.59	\$10.68	\$88.28	\$101.11	N/A	\$2.10
2"	\$7.59	\$10.68	\$141.24	\$161.78	N/A	\$3.36
3"	\$7.59	\$10.68	\$282.49	\$323.56	N/A	\$6.73
4"	\$7.59	\$10.68	\$441.39	\$505.56	N/A	\$10.51
Gallage Charge RS Tier One	\$1.77	\$2.49	\$6.49	\$3.62	N/A	\$0.08
Gallage Charge RS Tier Two	\$2.02	\$2.84	\$9.73	\$6.82	N/A	\$0.14
Gallage Charge RS Tier Three	\$2.53	\$3.56	\$12.98	\$10.24	N/A	\$0.21
Gallage Charge Tier Four	\$3.03	\$4.28	\$0.00	\$0.00	N/A	\$0.00
<u>Private Fire Protection</u>						
Base Facility Charge by Meter Size:						
2"	\$0.00	\$0.00	\$11.77	\$13.48	N/A	\$0.28
3"	\$0.00	\$0.00	\$23.54	\$26.96	N/A	\$0.56
4"	\$0.00	\$0.00	\$36.78	\$42.13	N/A	\$0.88
6"	\$0.00	\$0.00	\$73.57	\$84.26	N/A	\$1.75
8"	\$0.00	\$0.00	\$117.70	\$134.82	N/A	\$2.80
10"	\$0.00	\$0.00	\$169.20	\$193.80	N/A	\$4.03
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$12.90	\$18.15	\$56.60	\$31.10		
5,000 Gallons	\$16.44	\$23.13	\$82.56	\$38.35		
10,000 Gallons	\$25.29	\$35.58	\$95.52	\$69.27		

**Aqua Utilities Florida, Inc. - Fairways
Wastewater Monthly Service Rates
Test Year Ended 4/30/10**

**Schedule 5-B
Docket No. 100330-WS**

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential</u>						
Base Facility Charge All Meter Sizes:	\$12.65	\$28.58	\$37.87	\$36.52	\$0.83	\$0.39
Gallonge Charge - Per 1,000 gallons (6,000 gallon cap)	\$3.80	\$8.59	\$9.09	\$9.41	\$0.21	\$0.10
<u>General Service</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$12.65	\$28.58	\$37.87	\$36.52	\$0.83	\$0.39
3/4"	\$12.65	\$28.58	\$56.81	\$54.79	\$1.25	\$0.59
1"	\$12.65	\$28.58	\$94.68	\$91.31	\$2.08	\$0.99
1-1/2"	\$12.65	\$28.58	\$189.36	\$182.62	\$4.17	\$1.97
2"	\$12.65	\$28.58	\$302.97	\$292.19	\$6.66	\$3.16
3"	\$12.65	\$28.58	\$605.94	\$584.38	\$13.33	\$6.31
4"	\$12.65	\$28.58	\$946.78	\$913.10	\$20.83	\$9.86
6"	\$12.65	\$28.58	\$1,893.57	\$1,826.19	\$41.65	\$19.73
8"	\$12.65	\$28.58	\$3,029.70	\$2,921.91	\$66.65	\$31.57
10"	\$12.65	\$28.58	\$4,355.20	\$4,200.24	\$95.81	\$45.37
Gallonge Charge, per 1,000 Gallons	\$3.80	\$8.59	\$11.43	\$11.30	\$0.26	\$0.12
Proposed Residential Flat Rate			\$73.91	\$62.93	\$1.44	\$0.68
Proposed General Service Flat Rate			\$475.78	\$120.16	\$2.74	\$1.30
Reuse per Sprinkler Head			\$0.50	\$0.50	\$0.01	\$0.01
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$24.05	\$54.35	\$66.46	\$64.76		
5,000 Gallons	\$31.65	\$71.53	\$85.52	\$83.59		
10,000 Gallons	\$35.45	\$80.12	\$95.05	\$93.00		
(Wastewater Gallonge Cap - 6,000 Gallons)						

Aqua Utilities Florida, Inc. - Peace River			Schedule 3-A		
Schedule of Water Rate Base			Docket No. 100330-WS		
Test Year Ended 4/30/10					
Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year
1 Plant in Service	\$112,225	\$60,279	\$172,504	(\$42,810)	\$129,694
2 Land and Land Rights	30,900	0	30,900	0	30,900
3 Accumulated Depreciation	(5,787)	(6,022)	(11,809)	(2,944)	(14,753)
4 CIAC	(2,192)	0	(2,192)	0	(2,192)
5 Amortization of CIAC	19	0	19	0	19
6 Working Capital Allowance	<u>0</u>	<u>18,909</u>	<u>18,909</u>	<u>(5,963)</u>	<u>12,946</u>
7 Rate Base	<u>\$135,165</u>	<u>\$73,166</u>	<u>\$208,331</u>	<u>(\$51,717)</u>	<u>\$156,614</u>

Aqua Utilities Florida, Inc. - Peace River
Adjustments to Rate Base
Test Year Ended 4/30/10

Schedule 3-C
Docket No. 100330-WS

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Appropriate Pro Forma Plant Net of Retirements. (Issue 3)	(\$42,194)	(\$347)
2 Appropriate Allocated Plant from Affiliate. (Issue 22)	(616)	(591)
Total	<u>(\$42,810)</u>	<u>(\$938)</u>
<u>Non-used and Useful</u>		
To reflect net non-used and useful adjustment.	\$0	\$0
<u>Accumulated Depreciation</u>		
1 Appropriate Pro Forma Accum. Depr. (Issue 3)	(\$3,201)	(\$542)
2 Appropriate Allocated Accum. Depr. from Affiliate. (Issue 22)	257	247
Total	<u>(\$2,944)</u>	<u>(\$295)</u>
<u>Working Capital</u>		
1 Appropriate Other Deferred Debits. (Issue 11)	\$56	\$58
2 Appropriate Accrued Taxes. (Issue 12)	(4,606)	(4,792)
3 Deferred Rate Case Expense. (Issue 13)	(1,413)	(1,530)
Total	<u>(\$5,963)</u>	<u>(\$6,264)</u>

Aqua Utilities Florida, Inc. - Peace River
Statement of Water Operations
Test Year Ended 4/30/10

Schedule 4-A
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$65,818</u>	<u>\$45,228</u>	<u>\$111,046</u>	<u>(\$43,625)</u>	<u>\$67,421</u>	<u>\$34,736</u> 51.52%	<u>\$102,157</u>
Operating Expenses							
2 Operation & Maintenance	\$66,863	\$3,033	\$69,896	<u>(\$2,597)</u>	<u>\$67,299</u>		<u>\$67,299</u>
3 Depreciation	5,099	4,018	9,117	(2,657)	6,460		6,460
4 Amortization	0	0	0	4,244	4,244		4,244
5 Taxes Other Than Income	7,191	1,264	8,455	<u>(2,678)</u>	<u>5,777</u>	<u>1,563</u>	<u>7,340</u>
6 Income Taxes	<u>(5,144)</u>	<u>12,687</u>	<u>7,543</u>	<u>(14,791)</u>	<u>(7,248)</u>	<u>12,483</u>	<u>5,235</u>
7 Total Operating Expense	<u>\$74,009</u>	<u>\$21,002</u>	<u>\$95,011</u>	<u>(\$18,479)</u>	<u>\$76,532</u>	<u>\$14,046</u>	<u>\$90,578</u>
8 Operating Income	<u>(\$8,191)</u>	<u>\$24,226</u>	<u>\$16,035</u>	<u>(\$25,146)</u>	<u>(\$9,111)</u>	<u>\$20,690</u>	<u>\$11,579</u>
9 Rate Base	<u>\$135,165</u>		<u>\$208,331</u>		<u>\$156,614</u>		<u>\$156,614</u>
10 Rate of Return	<u>-6.06%</u>		<u>7.70%</u>		<u>-5.82%</u>		<u>7.39%</u>

Aqua Utilities Florida, Inc. - Peace River
Statement of Wastewater Operations
Test Year Ended 4/30/10

Schedule 4-B
Docket No. 100330-WS

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Staff Adjust- ments	Staff Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$82,013</u>	<u>\$21,614</u>	<u>\$103,627</u>	<u>(\$20,118)</u>	<u>\$83,509</u>	<u>\$16,021</u> 19.18%	<u>\$99,530</u>
Operating Expenses							
2 Operation & Maintenance	\$57,949	\$1,076	\$59,025	<u>(\$1,074)</u>	<u>\$57,951</u>		<u>\$57,951</u>
3 Depreciation	8,750	1,652	10,402	(711)	9,691		9,691
4 Amortization	0	0	0	0	0		0
5 Taxes Other Than Income	2,712	6,199	8,911	(927)	7,984	<u>721</u>	<u>8,705</u>
6 Income Taxes	<u>4,861</u>	<u>3,228</u>	<u>8,089</u>	<u>(6,628)</u>	<u>1,461</u>	<u>5,757</u>	<u>7,218</u>
7 Total Operating Expense	<u>\$74,272</u>	<u>\$12,155</u>	<u>\$86,427</u>	<u>(\$9,340)</u>	<u>\$77,087</u>	<u>\$6,478</u>	<u>\$83,566</u>
8 Operating Income	<u>\$7,741</u>	<u>\$9,459</u>	<u>\$17,200</u>	<u>(\$10,778)</u>	<u>\$6,422</u>	<u>\$9,542</u>	<u>\$15,964</u>
9 Rate Base	<u>\$205,573</u>		<u>\$223,423</u>		<u>\$215,925</u>		<u>\$215,925</u>
10 Rate of Return	<u>3.77%</u>		<u>7.70%</u>		<u>2.97%</u>		<u>7.39%</u>

**Aqua Utilities Florida, Inc. - Peace River
Adjustment to Operating Income
Test Year Ended 4/30/10**

**Schedule 4-C
Docket No. 100330-WS**

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
Remove requested final revenue increase.	<u>(\$43,625)</u>	<u>(\$20,118)</u>
<u>Operation and Maintenance Expense</u>		
1 Agreed Upon Audit Adjustments. (Issue 2)	(\$436)	(\$72)
2 Excessive I&I Adjustment. (Issue 8)	0	0
3 Adjustment to Disallow Fines and Penalties. (Issue 21)	(1)	(1)
4 Appropriate Allocated O&M Exp. from Affiliates. (Issue 22)	(271)	(259)
5 Sludge Hauling Expense Adj. (Issue 23)	0	(183)
6 Contractual Services Accounting Adjustment. (Issue 23)	(13)	(12)
7 Contractual Services Legal Adjustment. (Issue 23)	(67)	(64)
8 Adjustment to Remove Lobbying Costs. (Issue 24)	0	0
9 Appropriate Executive Risk Insurance. (Issue 25)	(22)	(21)
10 Appropriate Salary & Wages. (Issue 26)	(285)	(280)
11 Appropriate Bad Debt Expense. (Issue 27)	(1,615)	(282)
12 Appropriate Rate Case Expense. (Issue 28)	103	96
13 Health Insurance Normalization Adj. (Issue 29)	19	14
14 Health Insurance Pro Forma Adj. (Issue 30)	2	1
15 Insurance - Vehicle Pro Forma Adj. (Issue 30)	(5)	(5)
16 Insurance - Other Pro Forma Adj. (Issue 30)	(7)	(6)
Total	<u>(\$2,597)</u>	<u>(\$1,074)</u>
<u>Depreciation Expense - Net</u>		
1 Appropriate Pro Forma Depr. Exp. (Issue 3)	(\$1,981)	(\$58)
2 Remove non-U&U Depr. Expense. (Issues 5-7 & 9-10)	0	0
3 Appropriate Allocated Depr. Exp. from Affiliates. (Issue 22)	(677)	(653)
Total	<u>(\$2,657)</u>	<u>(\$711)</u>
<u>Amortization-Other Expense</u>		
Appropriate Regulatory Asset. (Issue 47)	<u>\$4,244</u>	<u>\$0</u>
<u>Taxes Other Than Income</u>		
1 RAFs on revenue adjustments above.	(\$1,963)	(\$905)
2 Appropriate Pro Forma Property Taxes. (Issue 3)	(693)	0
3 Appropriate Payroll Taxes. (Issue 26)	(22)	(21)
Total	<u>(\$2,678)</u>	<u>(\$927)</u>

**Aqua Utilities Florida, Inc. - Peace River
Water Monthly Service Rates
Test Year Ended 4/30/10**

**Schedule 5-A
Docket No. 100330-WS**

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential, General Service and Multi-Family</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$16.44	\$20.02	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$24.66	\$30.04	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$41.10	\$50.06	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$82.20	\$100.12	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$131.52	\$160.20	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$263.03	\$320.38	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$410.99	\$500.60	\$441.39	\$473.66	\$13.27	\$6.86
6"	\$821.97	\$1,001.19	\$882.78	\$947.32	\$26.53	\$13.73
8"	\$1,315.16	\$1,601.91	\$1,412.44	\$1,515.71	\$42.45	\$21.96
10"	\$1,890.54	\$2,302.75	\$2,030.39	\$2,178.83	\$61.03	\$31.57
<u>Gallonge Charge, per 1,000 Gallons</u>						
Gallonge Charge RS Tier One	\$4.94	\$6.02	\$6.49	\$6.34	\$0.18	\$0.09
Gallonge Charge RS Tier Two	\$6.17	\$7.52	\$9.73	\$9.51	\$0.27	\$0.14
Gallonge Charge RS Tier Three	\$14.81	\$18.04	\$12.98	\$12.68	\$0.36	\$0.18
Gallonge Charge GS	\$6.05	\$7.37	\$6.98	\$7.16	\$0.20	\$0.10
<u>Irrigation</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$0.00	\$0.00	\$17.66	\$18.95	\$0.53	\$0.27
3/4"	\$0.00	\$0.00	\$26.48	\$28.42	\$0.80	\$0.41
1"	\$0.00	\$0.00	\$44.14	\$47.37	\$1.33	\$0.69
1-1/2"	\$0.00	\$0.00	\$88.28	\$94.73	\$2.65	\$1.37
2"	\$0.00	\$0.00	\$141.24	\$151.57	\$4.25	\$2.20
3"	\$0.00	\$0.00	\$282.49	\$303.14	\$8.49	\$4.39
4"	\$0.00	\$0.00	\$441.39	\$473.66	\$13.27	\$6.86
Gallonge Charge Tier One	\$0.00	\$0.00	\$6.49	\$6.34	\$0.18	\$0.09
Gallonge Charge Tier Two	\$0.00	\$0.00	\$9.73	\$9.51	\$0.27	\$0.14
Gallonge Charge Tier Three	\$0.00	\$0.00	\$12.98	\$12.68	\$0.36	\$0.18
<u>Private Fire Protection</u>						
Base Facility Charge by Meter Size:						
2"	\$10.96	\$13.35	\$11.77	\$12.63	\$0.35	\$0.18
3"	\$21.92	\$26.70	\$23.54	\$25.26	\$0.71	\$0.37
4"	\$34.25	\$41.72	\$36.78	\$39.47	\$1.11	\$0.57
6"	\$68.50	\$83.44	\$73.57	\$78.94	\$2.21	\$1.14
8"	\$109.60	\$133.50	\$117.70	\$126.31	\$3.54	\$1.83
10"	\$157.55	\$191.90	\$169.20	\$181.57	\$5.09	\$2.63
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$34.59	\$42.13	\$38.60	\$37.97		
5,000 Gallons	\$46.69	\$56.87	\$52.56	\$50.65		
10,000 Gallons	\$76.94	\$93.72	\$95.52	\$95.03		

Aqua Utilities Florida, Inc. - Peace River
Wastewater Monthly Service Rates
Test Year Ended 4/30/10

Schedule 5-B
Docket No. 100330-WS

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Staff Recomm. Final	Two-Year Rate Reduction	Four-Year Rate Reduction
<u>Residential</u>						
Base Facility Charge All Meter Sizes:	\$29.03	\$33.04	\$37.87	\$36.52	\$0.83	\$0.39
Gallonge Charge - Per 1,000 gallons (6,000 gallon cap)	\$8.87	\$10.09	\$9.53	\$9.41	\$0.21	\$0.10
<u>General Service</u>						
Base Facility Charge by Meter Size:						
5/8" x 3/4"	\$29.03	\$33.04	\$37.87	\$36.52	\$0.83	\$0.39
3/4"	\$43.55	\$49.56	\$56.81	\$54.79	\$1.25	\$0.59
1"	\$72.58	\$82.60	\$94.68	\$91.31	\$2.08	\$0.99
1-1/2"	\$145.17	\$165.20	\$189.36	\$182.62	\$4.17	\$1.97
2"	\$232.27	\$264.32	\$302.97	\$292.19	\$6.66	\$3.16
3"	\$464.54	\$528.64	\$605.94	\$584.38	\$13.33	\$6.31
4"	\$725.84	\$826.00	\$946.78	\$913.10	\$20.83	\$9.86
6"	\$1,451.68	\$1,651.99	\$1,893.57	\$1,826.19	\$41.65	\$19.73
8"	\$2,322.70	\$2,643.20	\$3,029.70	\$2,921.91	\$66.65	\$31.57
10"	\$3,338.87	\$3,799.59	\$4,355.20	\$4,200.24	\$95.81	\$45.37
Gallonge Charge, per 1,000 Gallons	\$10.64	\$12.11	\$11.43	\$11.30	\$0.26	\$0.12
Proposed Residential Flat Rate			\$73.91	\$62.93	\$1.44	\$0.68
Proposed General Service Flat Rate			\$475.78	\$120.16	\$2.74	\$1.30
Reuse per Sprinkler Head			\$0.50	\$0.50	\$0.01	\$0.01
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>						
3,000 Gallons	\$55.64	\$63.31	\$66.46	\$64.76		
5,000 Gallons	\$73.38	\$83.49	\$85.52	\$83.59		
10,000 Gallons	\$82.25	\$93.58	\$95.05	\$93.00		
(Wastewater Gallonge Cap - 6,000 Gallons)						