

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for establishment of wastewater  
AFPI charges in Highlands, Lake, Marion, Pasco and  
Pinellas Counties by Utilities, Inc. of Florida

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FILED 10/16/2017  
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FPSC - COMMISSION CLERK

Docket No. 2017\_\_\_\_ - SU

**APPLICATION FOR ESTABLISHMENT OF AFPI CHARGES**

Applicant, UTILITIES, INC. OF FLORIDA ("UIF" or "Utility"), by and through its undersigned attorneys and pursuant to Section 367.101, Florida Statutes, and Rule 25-30.434, Florida Administrative Code, files this Application for establishment of wastewater AFPI charges in Highlands, Lake, Marion, Pasco and Pinellas Counties.

Preliminary Matters

1. The following information is provided pursuant to Rule 25-30.434, Florida Administrative Code:

- (a) (i) The name of the Utility and its mailing address is:

Utilities, Inc. of Florida  
2335 Sanders Road  
Northbrook, IL 60062

- (ii) The address of the Florida office is:

Utilities, Inc. of Florida  
200 Weathersfield Avenue  
Altamonte Springs, FL 32714-4099

- (iii) The names and address of the persons authorized to receive notices

and communications in respect to this application are:

Martin S. Friedman, Esquire  
Friedman & Friedman, P.A.  
766 N. Sun Drive, Suite 4030  
Lake Mary, FL 32746  
Telephone: (407) 830-6331  
Fax: (407) 878-2178  
Email: [mfriedman@ff-attorneys.com](mailto:mfriedman@ff-attorneys.com)

(b)(i) The Utility does not have a business office in any of the affected Counties, and will place a copy of the Application at the following libraries, which are the most convenient libraries to the respective service areas:

Cooper Memorial Library  
2525 Oakley Seaver Drive  
Clermont, FL 34711  
Monday – Thursday: 9:00 a.m. to 7:00 p.m.  
Friday – Saturday: 9:00 a.m. to 1:00 p.m.  
Sunday: (Closed)

Lake Placid Memorial Library  
205 W. Interlake Blvd.  
Lake Placid, Florida 33852  
Tuesday: 10:30 a.m. to 6:30 p.m.  
Wednesday – Saturday: 9:30 a.m. to 5:30 p.m.  
Sunday - Monday: (Closed)

St. Petersburg Public Library  
South Branch  
2300 Roy Hanna Drive S.  
St. Petersburg, FL 33712  
Monday, Wednesday, Friday and Saturday:  
9:00 a.m. to 6:00 p.m.  
Tuesday and Thursday: 9:00 a.m. to 9:00 p.m.  
Sunday: (Closed)

Zephyrhills Public Library  
5347 8<sup>th</sup> Street  
Zephyrhills, Florida 33542  
Tuesday – Friday: 9:00 a.m. to 7:00 p.m.  
Saturday: 9:00 a.m. to noon  
Sunday - Monday: (Closed)

Marion County Public Library  
2720 E. Silver Springs Blvd.  
Ocala, FL 34470  
Monday-Thursday: 10 a.m.-8 p.m.  
Friday and Saturday: 10 a.m.-6 p.m.  
Sunday: 1-5 p.m.

(b)(ii) UIF will publish a Notice in a newspaper of general circulation in each County and will file the Affidavits of Publication as Composite Late Filed Exhibit “A”.

(b)(iii) UIF will mail a copy of the Notice of Application to all persons in the service area who have filed a written request for service or who has been provided a written estimate for service within the past 12 months and will file an Affidavit of Mailing as Late Filed Exhibit “B”.

(c) The last Orders that established rates and service availability charges for the respective systems are:

- LUSI. Order No. PSC-2017-0361-FOF-WS on September 25, 2017, and was subsequently amended by Order No. 2017-0361A-FOF-WS, issued October 4, 2017. The last Order that established AFPI charges for the UIF Lake Utility Services wastewater system was Order No. 24283 issued March 25, 1991.

- Labrador. Order No. PSC-2017-0361-FOF-WS on September 25, 2017, and was subsequently amended by Order No. 2017-0361A-FOF-WS, issued October 4, 2017. There have never been service availability charges set for this system.

- Lake Placid. Order No. PSC-2017-0361-FOF-WS on September 25, 2017, and was subsequently amended by Order No. 2017-0361A-FOF-WS, issued October 4, 2017. There have never been service availability charges set for this system.

- Mid-County. Order No. PSC-2017-0361-FOF-WS on September 25, 2017, and was subsequently amended by Order No. 2017-0361A-FOF-WS, issued October 4, 2017. Service Availability Charges were last set in Order No. PSC-94-1042-FOF-SU, issued August 24, 1994.

- UIF – Marion. Order No. PSC-2017-0361-FOF-WS on September 25, 2017, and was subsequently amended by Order No. 2017-0361A-FOF-WS, issued October 4, 2017. There have never been service availability charges set for this system.

(d) The AFPI Charges are set forth in the financial schedules attached hereto as Exhibit “C” and are calculated for one ERC on a monthly basis up to the time the WWTP reaches design capacity.

(e) UIF is requesting the wastewater AFPI Charge as the result of the Commission finding in Order No. PSC-2017-0361-FOF-WS that the respective wastewater systems were found to be less than 100% used & useful.

- LUSI. The Lake Utility Services system wastewater treatment plant was 58.78% used & useful. The previous AFPI charge was established in Order No. 24283 issued March 25, 1991 and remained unchanged until the most recent Order. In the two subsequent rate proceedings, (Docket 20070963 and Docket 20100426) there was a finding of 52.42% and 53.00% used and useful wastewater plant respectively and the original AFPI charge remained in the tariff. Given that history, any new calculation of an AFPI charge should not be reset for the existing U&U plant but rather continue from the prior adjustment. Since the finding of non U&U plant only applied to wastewater treatment, the AFPI is only being requested for those assets.

- Labrador. This wastewater system was determined to be 29.79% Used and Useful.
- Lake Placid. This wastewater system was determined to be 79.94% Used and Useful.

- Mid-County. This wastewater system was determined to be 93.67% Used and Useful.

- UIF – Marion. This wastewater system was determined to be 68.65% Used and Useful.

(f) The dollar amount of the non-used and useful plant and the accumulated depreciation was determined from the findings in the current rate case. The net of these two amounts shall be considered the cost of qualifying assets and is set forth in the schedules attached hereto as Exhibit “C”.

(g) The plant capacity related to each of the systems in (f) above and the methodology used to determine the amount is set forth in the schedules attached hereto as Exhibit “C”.

(h) The number of future customers in number of ERCs related to the non-used and useful plant by system is set forth in the schedules attached hereto as Exhibit “C”.

(i) The amount of depreciation expense and composite depreciation rate related to the non-used and useful plant by system is set forth in the schedules attached hereto as Exhibit "C".

(j) The overall rate of return requested for the AFPI charge and the workpapers supporting the calculation is set forth in the schedules attached hereto as Exhibit "C".

(k) The last authorized rate of return on equity is 10.4% established in Docket Number 20160101-WS which resulted in Order No. PSC-2017-1361-FOF-WS.

(l) The state and federal income tax rates requested for calculating the AFPI charge are 34% and 5.5% respectively.

(m) There are no other costs such as non-used and useful property taxes and operation and maintenance expenses removed in the last rate case that need to be removed.

(n) The test year to be used in the calculation, the month that the utility expects the charge to go into effect and the number of years the utility expects to collect the charge is set forth in the schedules attached hereto as Exhibit "C". The AFPI should remain in effect until the total future ERCs are connected.

(o) The workpapers and calculations used to develop the proposed AFPI charge is set forth in the schedules attached hereto as Exhibit "C".

(p) The tariff sheets necessary to incorporate the AFPI charge into the tariff are attached hereto as Exhibit "D".

(2) The appropriate filing fee of \$2,250.00 (over 4,000 wastewater ERCs) is included herewith.

WHEREFORE, UIF requests that the Florida Public Service Commission do the following:

1. Accept jurisdiction of this Application and establish wastewater AFPI Charges consistent with the schedules attached hereto as Exhibit "C".
2. Provide such other and further relief as is fair, just and equitable.

Respectfully submitted this 16th day of  
October, 2017, by:

FRIEDMAN & FRIEDMAN, P.A.  
766 N. Sun Drive, Suite 4030  
Lake Mary, FL 32746  
Telephone: (407) 830-6331  
Fax: (407) 878-2178  
[mfriedman@ff-attorneys.com](mailto:mfriedman@ff-attorneys.com)



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MARTIN S. FRIEDMAN  
For the Firm

**EXHIBIT "A"**

Affidavit of Publication – to be Late Filed

**EXHIBIT "B"**

Affidavit of Mailing – to be Late Filed

**EXHIBIT "C"**

**Financial Schedules by Wastewater System**

LUSI

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC

Information Needed

1.	Cost of Qualifying Assets	\$ 1,949,211
2.	Capacity of Qualifying Assets	411787.8 GPD
3.	Number of Future Customers	1471 ERC
4.	Annual Depreciation Expense	\$ 134,553
5.	Rate of Return	7.09%
6.	Weighted Cost of Equity	4.36%
7.	Federal Income Tax Rate	34.00%
8.	State Income Tax Rate	5.50%
9.	Annual Property Tax	\$ 1742
10.	Other Costs	\$ 0
11.	Depreciation Rate of Assets	6.90%
12.	Test Year	2015

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC:

Cost of Qualifying Assets:	\$	1,949,211	Annual Depreciation Expense:	\$	134,553
Divided By Future ERC:		1,471	Future ERC's:		1,471
		<u>          </u>			<u>          </u>
Cost/ERC:	\$	1,325.39	Annual Depr. Cost per ERC:	\$	<u>91.49</u>
Multiply By Rate of Return:		7.09%			
		<u>          </u>			
Annual Return Per ERC:	\$	<u>93.99</u>	Annual Property Tax Expense:	\$	1,742
Annual Reduction in Return:	\$	<u>6.49</u>	Future ERC's:		1,471
(Annual Depreciation Expense					<u>          </u>
per ERC Times Rate of Return)			Annual Prop. Tax per ERC:	\$	<u>1.18</u>
Federal Tax Rate:		34.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:		3.63%	Divided by Rate of Return:		7.09%
		<u>          </u>			<u>          </u>
Total Tax Rate:		<u>37.63%</u>	% of Equity in Return:		<u>61.48%</u>
Effective Tax on Return:		<u>23.14%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)			Future ERC's:		1,471
					<u>          </u>
Provision For Tax:		<u>37.10%</u>	Cost per ERC:	\$	<u>0.00</u>
(Tax on Return/(1-Total Tax Rate))					

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Year:

	2016	2017	2018	2019	2020
Unfunded Other Costs:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unfunded Annual Depreciation:	91.49	91.49	91.49	91.49	91.49
Unfunded Property Tax:	1.18	1.18	1.18	1.18	1.18
Subtotal Unfunded Annual Expense:	\$ 92.68	\$ 92.68	\$ 92.68	\$ 92.68	\$ 92.68
Unfunded Expenses Prior Year:	0.00	92.68	185.35	278.03	370.70
Total Unfunded Expenses:	\$ <u>92.68</u>	\$ <u>185.35</u>	\$ <u>278.03</u>	\$ <u>370.70</u>	\$ <u>463.38</u>
Return on Expenses Current Year:	6.57	6.57	6.57	6.57	6.57
Return on Expenses Prior Year:	0.00	6.57	13.14	19.72	26.29
Return on Plant Current Year:	93.99	87.50	81.01	74.52	68.03
Earnings Prior Year:	0.00	93.99	194.73	302.69	418.39
Compound Earnings from Prior Year:	0.00	6.67	13.81	21.46	29.67
Total Compounded Earnings:	\$ 93.99	\$ 194.73	302.69	418.39	542.38
Earnings Expansion Factor for Tax:	1.37	1.37	1.37	1.37	1.37
Revenue Required to Fund Earnings:	\$ 128.86	\$ 266.96	\$ 414.97	\$ 573.60	\$ 743.58
Revenue Required to Fund Expenses:	92.68	185.35	278.03	370.70	463.38
Subtotal:	\$ 221.54	\$ 452.31	\$ 693.00	\$ 944.30	\$ 1,206.96
Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
ERC Carrying Cost for 1 Year:	\$ <u>231.97</u>	\$ <u>473.63</u>	\$ <u>725.65</u>	\$ <u>988.80</u>	\$ <u>1,263.83</u>

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Month:

	2016	2017	2018	2019	2020	2021
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January	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
February	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
March	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
April	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
May	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
June	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
July	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
August	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
September	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
October	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
November	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83
December	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83	1,263.83

The attached worksheets compute the AFPI that should have been in effect for the last rate case in 2010. Thus, UIF should have been entitled to the AFPI all along and it supports not starting the calculation over again.

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC

Information Needed

1.	Cost of Qualifying Assets	\$	1,729,148	
2.	Capacity of Qualifying Assets		479520 GP	0
3.	Number of Future Customers		1855 ER	
4.	Annual Depreciation Expense	\$	96,198	
5.	Rate of Return		8.13%	
6.	Weighted Cost of Equity		4.69%	
7.	Federal Income Tax Rate		34.00%	
8.	State Income Tax Rate		5.50%	
9.	Annual Property Tax	\$	1742	
10.	Other Costs	\$	0	
11.	Depreciation Rate of Assets		5.56%	
12.	Test Year		2010	

**Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC:**

Cost of Qualifying Assets:	\$	1,729,148	Annual Depreciation Expense:	\$	96,198
Divided By Future ERC:		1,855	Future ERC's:		1,855
		<u>          </u>			<u>          </u>
Cost/ERC:	\$	932.01	Annual Depr. Cost per ERC:	\$	<u>51.85</u>
Multiply By Rate of Return:		8.13%			
		<u>          </u>			
Annual Return Per ERC:	\$	<u>75.77</u>	Annual Property Tax Expense:	\$	1,742
			Future ERC's:		1,855
Annual Reduction in Return:	\$	<u>4.22</u>			<u>          </u>
(Annual Depreciation Expense			Annual Prop. Tax per ERC:	\$	<u>0.94</u>
per ERC Times Rate of Return)					
Federal Tax Rate:		34.00%	Weighted Cost of Equity:		4.69%
Effective State Tax Rate:		3.63%	Divided by Rate of Return:		8.13%
		<u>          </u>			<u>          </u>
Total Tax Rate:		<u>37.63%</u>	% of Equity in Return:		<u>57.69%</u>
Effective Tax on Return:		<u>21.71%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)			Future ERC's:		1,855
					<u>          </u>
Provision For Tax:		<u>34.80%</u>	Cost per ERC:	\$	<u>0.00</u>
(Tax on Return/(1-Total Tax Rate))					

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Year:

	2010	2011	2012	2013	2014	2015	2016
Unfunded Other Costs:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unfunded Annual Depreciation:	51.85	51.85	51.85	51.85	51.85	51.85	51.85
Unfunded Property Tax:	0.94	0.94	0.94	0.94	0.94	0.94	0.94
Subtotal Unfunded Annual Expense:	\$ 52.79	\$ 52.79	\$ 52.79	\$ 52.79	\$ 52.79	\$ 52.79	\$ 52.79
Unfunded Expenses Prior Year:	0.00	52.79	105.58	158.37	211.16	263.95	316.74
Total Unfunded Expenses:	\$ <u>52.79</u>	\$ <u>105.58</u>	\$ <u>158.37</u>	\$ <u>211.16</u>	\$ <u>263.95</u>	\$ <u>316.74</u>	\$ <u>369.53</u>
Return on Expenses Current Year:	4.29	4.29	4.29	4.29	4.29	4.29	4.29
Return on Expenses Prior Year:	0.00	4.29	8.58	12.88	17.17	21.46	25.75
Return on Plant Current Year:	75.77	71.55	67.34	63.12	58.90	54.68	50.46
Earnings Prior Year:	0.00	75.77	157.77	246.52	342.56	446.48	558.92
Compound Earnings from Prior Year:	0.00	6.16	12.83	20.04	27.85	36.30	45.44
Total Compounded Earnings:	\$ 75.77	\$ 157.78	246.52	342.56	446.48	558.92	680.57
Earnings Expansion Factor for Tax:	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Revenue Required to Fund Earnings:	\$ 102.14	\$ 212.69	\$ 332.32	\$ 461.79	\$ 601.88	\$ 753.45	\$ 917.44
Revenue Required to Fund Expenses:	52.79	105.58	158.37	211.16	263.95	316.74	369.53
Subtotal:	\$ 154.93	\$ 318.27	\$ 490.69	\$ 672.95	\$ 865.83	\$ 1,070.19	\$ 1,286.97
Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955	0.955	0.955
ERC Carrying Cost for 1 Year:	\$ <u>162.23</u>	\$ <u>333.27</u>	\$ <u>513.81</u>	\$ <u>704.66</u>	\$ <u>906.63</u>	\$ <u>1,120.62</u>	\$ <u>1,347.61</u>

UTILITIES INC. OF FLORIDA  
DOCKET NO.

SCHEDULE 1-D

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Month:

	2010	2011	2012	2013	2014	2015	2016
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January	13.52	176.49	348.31	529.72	721.49	924.46	1,139.53
February	27.04	190.74	363.36	545.62	738.32	942.29	1,158.45
March	40.56	204.99	378.40	561.52	755.15	960.13	1,177.37
April	54.08	219.24	393.45	577.43	771.98	977.96	1,196.28
May	67.60	233.50	408.49	593.33	788.81	995.79	1,215.20
June	81.12	247.75	423.54	609.24	805.64	1,013.62	1,234.12
July	94.64	262.00	438.58	625.14	822.47	1,031.46	1,253.03
August	108.15	276.26	453.63	641.04	839.31	1,049.29	1,271.95
September	121.67	290.51	468.68	656.95	856.14	1,067.12	1,290.86
October	135.19	304.76	483.72	672.85	872.97	1,084.95	1,309.78
November	148.71	319.01	498.77	688.76	889.80	1,102.79	1,328.70
December	162.23	333.27	513.81	704.66	906.63	1,120.62	1,347.61

# LABRADOR

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC:

Cost of Qualifying As\$	289,404	Annual Depreciation Expense:	\$	14,181
Divided By Future ERC:	458	Future ERC's:		458
Cost/ERC:	\$ 631.46	Annual Depr. Cost per ERC:	\$	<u>30.94</u>
Multiply By Rate of Return:	7.09%			
Annual Return Per E\$	<u>44.78</u>	Annual Property Tax Expense:	\$	2,180
Annual Reduction in \$	2.19	Future ERC's:		458
(Annual Depreciation Expense		Annual Prop. Tax per ERC:	\$	<u>4.76</u>
per ERC Times Rate of Return)				
Federal Tax Rate:	34.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:	3.63%	Divided by Rate of Return:		7.09%
Total Tax Rate:	<u>37.63%</u>	% of Equity in Return:		<u>61.48%</u>
Effective Tax on Return:	<u>23.14%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)		Future ERC's:		458
Provision For Tax:	<u>37.10%</u>	Cost per ERC:	\$	<u>0.00</u>
(Tax on Return/(1-Total Tax Rate))				

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Year:

	2016	2017	2018	2019	2020
Unfunded Other Cos	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unfunded Annual Depreciation:	30.94	30.94	30.94	30.94	30.94
Unfunded Property Tax:	4.76	4.76	4.76	4.76	4.76
Subtotal Unfunded A	\$ 35.70	\$ 35.70	\$ 35.70	\$ 35.70	\$ 35.70
Unfunded Expenses Prior Year	0.00	35.70	71.40	107.10	142.80
Total Unfunded Expe	\$ 35.70	\$ 71.40	\$ 107.10	\$ 142.80	\$ 178.49
Return on Expenses Current Yr	2.53	2.53	2.53	2.53	2.53
Return on Expenses Prior Year	0.00	2.53	5.06	7.59	10.13
Return on Plant Current Year:	44.78	42.59	40.39	38.20	36.01
Earnings Prior Year:	0.00	44.78	93.07	145.12	201.20
Compound Earnings from Prior	0.00	3.18	6.60	10.29	14.27
Total Compounded E	\$ 44.78	\$ 93.07	145.12	201.20	261.61
Earnings Expansion Factor for	1.37	1.37	1.37	1.37	1.37
Revenue Required It	\$ 61.39	\$ 127.60	\$ 198.95	\$ 275.84	\$ 358.65
Revenue Required to Fund Exp	35.70	71.40	107.10	142.80	178.49
Subtotal:	\$ 97.09	\$ 199.00	\$ 306.05	\$ 418.64	\$ 537.14
Divided by Factor for Regulator	0.955	0.955	0.955	0.955	0.955
ERC Carrying Cost	\$ 101.67	\$ 208.38	\$ 320.47	\$ 438.37	\$ 562.45

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Month:

	2016	2017	2018	2019	2020	2021
January	8.47	110.56	217.72	330.30	448.71	562.45
February	16.94	119.45	227.08	340.12	459.05	562.45
March	25.42	128.34	236.40	349.95	469.39	562.45
April	33.89	137.24	245.74	359.77	479.73	562.45
May	42.36	146.13	255.08	369.60	490.07	562.45
June	50.83	155.02	264.42	379.42	500.41	562.45
July	59.31	163.91	273.76	389.25	510.75	562.45
August	67.78	172.81	283.11	399.07	521.09	562.45
September	76.25	181.70	292.45	408.90	531.43	562.45
October	84.72	190.59	301.79	418.72	541.77	562.45
November	93.19	199.48	311.13	428.55	552.11	562.45
December	101.67	208.38	320.47	438.37	562.45	562.45

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC

Information Needed

1.	Cost of Qualifying Assets	\$ 289,404
2.	Capacity of Qualifying Assets	128325 GPD
3.	Number of Future Customers	458 ERC
4.	Annual Depreciation Expense	\$ 14,181
5.	Rate of Return	7.09%
6.	Weighted Cost of Equity	4.36%
7.	Federal Income Tax Rate	34.00%
8.	State Income Tax Rate	5.50%
9.	Annual Property Tax	\$ 2180
10.	Other Costs	\$ 0
11.	Depreciation Rate of Assets	4.90%
12.	Test Year	2015

# LAKE PLACID

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC

Information Needed

1.	Cost of Qualifying Assets	\$ 89807
2.	Capacity of Qualifying Assets	63189 GPD
3.	Number of Future Customers	226 ERC
4.	Annual Depreciation Expense	\$ 7418
5.	Rate of Return	7.09%
6.	Weighted Cost of Equity	4.36%
7.	Federal Income Tax Rate	34.00%
8.	State Income Tax Rate	5.50%
9.	Annual Property Tax	\$ 816
10.	Other Costs	\$ 0
11.	Depreciation Rate of Assets	8.26%
12.	Test Year	2015

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC:

Cost of Qualifying As\$	89,807	Annual Depreciation Expense:	\$	7,418
Divided By Future ERC:	226	Future ERC's:		226
Cost/ERC:	\$ 397.95	Annual Depr. Cost per ERC:	\$	32.87
Multiply By Rate of Return:	7.09%			
Annual Return Per E \$	28.22	Annual Property Tax Expense:	\$	816
Annual Reduction in \$	2.33	Future ERC's:		226
(Annual Depreciation Expense per ERC Times Rate of Return)		Annual Prop. Tax per ERC:	\$	3.62
Federal Tax Rate:	34.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:	3.63%	Divided by Rate of Return:		7.09%
Total Tax Rate:	37.63%	% of Equity in Return:		61.48%
Effective Tax on Return:	23.14%	Other Costs:	\$	0
(Equity % Times Tax Rate)		Future ERC's:		226
Provision For Tax:	37.10%	Cost per ERC:	\$	0.00
(Tax on Return/(1-Total Tax Rate))				

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Year:

	2016	2017	2018	2019	2020
Unfunded Other Cos	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unfunded Annual Depreciation	32.87	32.87	32.87	32.87	32.87
Unfunded Property Tax	3.62	3.62	3.62	3.62	3.62
<b>Subtotal Unfunded A</b>	<b>\$ 36.49</b>	<b>\$ 36.49</b>	<b>\$ 36.49</b>	<b>\$ 36.49</b>	<b>\$ 36.49</b>
Unfunded Expenses Prior Year	0.00	36.49	72.97	109.46	145.94
<b>Total Unfunded Expe</b>	<b>\$ 36.49</b>	<b>\$ 72.97</b>	<b>\$ 109.46</b>	<b>\$ 145.94</b>	<b>\$ 182.43</b>
Return on Expenses Current Yr	2.59	2.59	2.59	2.59	2.59
Return on Expenses Prior Year	0.00	2.59	5.17	7.76	10.35
Return on Plant Current Year	28.22	25.89	23.56	21.23	18.90
Earnings Prior Year	0.00	28.22	58.70	91.59	127.07
Compound Earnings from Prior	0.00	2.00	4.16	6.49	9.01
<b>Total Compounded E</b>	<b>\$ 28.22</b>	<b>\$ 58.70</b>	<b>91.59</b>	<b>127.07</b>	<b>165.33</b>
Earnings Expansion Factor for	1.37	1.37	1.37	1.37	1.37
<b>Revenue Required to</b>	<b>\$ 38.69</b>	<b>\$ 80.47</b>	<b>\$ 125.57</b>	<b>\$ 174.21</b>	<b>\$ 226.66</b>
<b>Revenue Required to Fund Exp</b>	<b>36.49</b>	<b>72.97</b>	<b>109.46</b>	<b>145.94</b>	<b>182.43</b>
<b>Subtotal</b>	<b>\$ 75.18</b>	<b>\$ 153.44</b>	<b>\$ 235.03</b>	<b>\$ 320.15</b>	<b>\$ 409.09</b>
Divided by Factor for Regulator	0.955	0.955	0.955	0.955	0.955
<b>ERC Carrying Cost</b>	<b>\$ 78.72</b>	<b>\$ 160.67</b>	<b>\$ 246.10</b>	<b>\$ 335.24</b>	<b>\$ 428.37</b>

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Month:

	2016	2017	2018	2019	2020	2021
	—	—	—	—	—	—
January	6.56	85.55	167.79	253.53	343.00	428.37
February	13.12	92.38	174.91	260.96	350.76	428.37
March	19.68	99.21	182.03	268.39	358.52	428.37
April	26.24	106.04	189.15	275.82	366.28	428.37
May	32.80	112.87	196.27	283.24	374.04	428.37
June	39.36	119.70	203.39	290.67	381.80	428.37
July	45.92	126.53	210.51	298.10	389.56	428.37
August	52.48	133.35	217.63	305.53	397.32	428.37
September	59.04	140.18	224.75	312.96	405.08	428.37
October	65.60	147.01	231.87	320.38	412.85	428.37
November	72.16	153.84	238.99	327.81	420.61	428.37
December	78.72	160.67	246.10	335.24	428.37	428.37

# MID-COUNTY

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC:

Cost of Qualifying As \$	67,761	Annual Depreciation Expense:	\$	5,926
Divided By Future ERC:	203	Future ERC's:		203
Cost/ERC:	\$ 333.04	Annual Depr. Cost per ERC:	\$	<u>29.13</u>
Multiply By Rate of Return:	7.09%			
Annual Return Per E \$	<u>23.62</u>	Annual Property Tax Expense:	\$	460
Annual Reduction in \$	2.07	Future ERC's:		203
(Annual Depreciation Expense		Annual Prop. Tax per ERC:	\$	<u>2.26</u>
per ERC Times Rate of Return)				
Federal Tax Rate:	34.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:	3.63%	Divided by Rate of Return:		7.09%
Total Tax Rate:	<u>37.63%</u>	% of Equity in Return:		<u>61.48%</u>
Effective Tax on Return:	<u>23.14%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)		Future ERC's:		203
Provision For Tax:	<u>37.10%</u>	Cost per ERC:	\$	<u>0.00</u>
(Tax on Return/(1-Total Tax Rate))				

Allowance for Funds Prudently Invested  
 Calculation of Carrying Cost Per ERC Per Year:

	2016	2017	2018	2019	2020
Unfunded Other Cos	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unfunded Annual Depreciation	29.13	29.13	29.13	29.13	29.13
Unfunded Property Tax:	2.26	2.26	2.26	2.26	2.26
<b>Subtotal Unfunded A</b>	<b>\$ 31.39</b>	<b>\$ 31.39</b>	<b>\$ 31.39</b>	<b>\$ 31.39</b>	<b>\$ 31.39</b>
Unfunded Expenses Prior Year	0.00	31.39	62.77	94.16	125.55
<b>Total Unfunded Expe</b>	<b>\$ 31.39</b>	<b>\$ 62.77</b>	<b>\$ 94.16</b>	<b>\$ 125.55</b>	<b>\$ 156.93</b>
Return on Expenses Current Yr	2.23	2.23	2.23	2.23	2.23
Return on Expenses Prior Year	0.00	2.23	4.45	6.68	8.90
Return on Plant Current Year:	23.62	21.55	19.49	17.42	15.35
Earnings Prior Year:	0.00	23.62	49.08	76.50	106.02
Compound Earnings from Prior	0.00	1.67	3.48	5.42	7.52
<b>Total Compounded E</b>	<b>\$ 23.62</b>	<b>\$ 49.08</b>	<b>76.50</b>	<b>106.02</b>	<b>137.79</b>
Earnings Expansion Factor for	1.37	1.37	1.37	1.37	1.37
<b>Revenue Required to</b>	<b>\$ 32.38</b>	<b>\$ 67.28</b>	<b>\$ 104.88</b>	<b>\$ 145.36</b>	<b>\$ 188.90</b>
<b>Revenue Required to Fund Exp</b>	<b>31.39</b>	<b>62.77</b>	<b>94.16</b>	<b>125.55</b>	<b>156.93</b>
<b>Subtotal:</b>	<b>\$ 63.77</b>	<b>\$ 130.05</b>	<b>\$ 199.04</b>	<b>\$ 270.91</b>	<b>\$ 345.83</b>
Divided by Factor for Regulator	0.955	0.955	0.955	0.955	0.955
<b>ERC Carrying Cost</b>	<b>\$ 66.78</b>	<b>\$ 136.18</b>	<b>\$ 208.42</b>	<b>\$ 283.68</b>	<b>\$ 362.13</b>

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC

Information Needed

1.	Cost of Qualifying Assets	\$ 67,761
2.	Capacity of Qualifying Assets	66970 GPD
3.	Number of Future Customers	203 ERC
4.	Annual Depreciation Expense	\$ 5,926
5.	Rate of Return	7.09%
6.	Weighted Cost of Equity	4.36%
7.	Federal Income Tax Rate	34.00%
8.	State Income Tax Rate	5.50%
9.	Annual Property Tax	\$ 460
10.	Other Costs	\$ 0
11.	Depreciation Rate of Assets	8.75%
12.	Test Year	2015

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Month:

	2016	2017	2018	2019	2020	2021
January	5.56	72.56	142.20	214.69	290.22	362.13
February	11.13	78.34	148.22	220.96	296.75	362.13
March	16.69	84.13	154.24	227.23	303.29	362.13
April	22.26	89.91	160.26	233.51	309.83	362.13
May	27.82	95.69	166.28	239.78	316.37	362.13
June	33.39	101.48	172.30	246.05	322.90	362.13
July	38.95	107.26	178.32	252.32	329.44	362.13
August	44.52	113.04	184.34	258.59	335.98	362.13
September	50.08	118.83	190.36	264.86	342.51	362.13
October	55.65	124.61	196.38	271.14	349.05	362.13
November	61.21	130.39	202.40	277.41	355.59	362.13
December	66.78	136.18	208.42	283.68	362.13	362.13

# UIF-MARION

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC

Information Needed

1.	Cost of Qualifying Assets	\$ 16641
2.	Capacity of Qualifying Assets	18720 GPD
3.	Number of Future Customers	67 ERC
4.	Annual Depreciation Expense	\$ 2011
5.	Rate of Return	7.09%
6.	Weighted Cost of Equity	4.36%
7.	Federal Income Tax Rate	34.00%
8.	State Income Tax Rate	5.50%
9.	Annual Property Tax	\$ 140
10.	Other Costs	\$ 0
11.	Depreciation Rate of Assets	12.08%
12.	Test Year	2015

Allowance for Funds Prudently Invested  
Calculation of Carrying Costs for Each ERC:

Cost of Qualifying As \$	16,641	Annual Depreciation Expense:	\$	2,011
Divided By Future ERC:	<u>67</u>	Future ERC's:		<u>67</u>
Cost/ERC:	\$ 248.90	Annual Depr. Cost per ERC:	\$	<u>30.08</u>
Multiply By Rate of Return:	7.09%			
Annual Return Per E \$	<u>17.65</u>	Annual Property Tax Expense:	\$	140
Annual Reduction in \$	<u>2.13</u>	Future ERC's:		<u>67</u>
(Annual Depreciation Expense		Annual Prop. Tax per ERC:	\$	<u>2.09</u>
per ERC Times Rate of Return)				
Federal Tax Rate:	34.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:	3.63%	Divided by Rate of Return:		7.09%
Total Tax Rate:	<u>37.63%</u>	% of Equity in Return:		<u>61.48%</u>
Effective Tax on Return:	<u>23.14%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)		Future ERC's:		<u>67</u>
Provision For Tax:	<u>37.10%</u>	Cost per ERC:	\$	<u>0.00</u>
(Tax on Return/(1-Total Tax Rate))				

Allowance for Funds Prudently Invested  
 Calculation of Carrying Cost Per ERC Per Year:

	2016	2017	2018	2019	2020
Unfunded Other Cos	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Unfunded Annual Depreciation	30.08	30.08	30.08	30.08	30.08
Unfunded Property Tax	2.09	2.09	2.09	2.09	2.09
<b>Subtotal Unfunded A</b>	<b>\$ 32.17</b>	<b>\$ 32.17</b>	<b>\$ 32.17</b>	<b>\$ 32.17</b>	<b>\$ 32.17</b>
Unfunded Expenses Prior Year	0.00	32.17	64.35	96.52	128.69
<b>Total Unfunded Expe</b>	<b>\$ 32.17</b>	<b>\$ 64.35</b>	<b>\$ 96.52</b>	<b>\$ 128.69</b>	<b>\$ 160.87</b>
Return on Expenses Current Yr	2.28	2.28	2.28	2.28	2.28
Return on Expenses Prior Year	0.00	2.28	4.56	6.84	9.13
Return on Plant Current Year	17.65	15.52	13.38	11.25	9.12
Earnings Prior Year	0.00	17.65	36.70	57.24	79.39
Compound Earnings from Prior	0.00	1.25	2.60	4.06	5.63
<b>Total Compounded E</b>	<b>\$ 17.65</b>	<b>\$ 36.70</b>	<b>57.24</b>	<b>79.39</b>	<b>103.27</b>
Earnings Expansion Factor for	1.37	1.37	1.37	1.37	1.37
Revenue Required to	\$ 24.20	\$ 50.31	\$ 78.48	\$ 108.84	\$ 141.58
Revenue Required to Fund Exp	32.17	64.35	96.52	128.69	160.87
<b>Subtotal:</b>	<b>\$ 56.37</b>	<b>\$ 114.66</b>	<b>\$ 175.00</b>	<b>\$ 237.53</b>	<b>\$ 302.45</b>
Divided by Factor for Regulator	0.955	0.955	0.955	0.955	0.955
<b>ERC Carrying Cost</b>	<b>\$ 59.02</b>	<b>\$ 120.07</b>	<b>\$ 183.25</b>	<b>\$ 248.72</b>	<b>\$ 316.70</b>

Allowance for Funds Prudently Invested  
Calculation of Carrying Cost Per ERC Per Month:

	2016	2017	2018	2019	2020	2021
January	4.92	64.11	125.33	188.70	254.39	316.70
February	9.84	69.20	130.60	194.16	260.05	316.70
March	14.76	74.28	135.86	199.61	265.72	316.70
April	19.67	79.37	141.13	205.07	271.38	316.70
May	24.59	84.46	146.39	210.53	277.05	316.70
June	29.51	89.55	151.66	215.98	282.71	316.70
July	34.43	94.63	156.92	221.44	288.38	316.70
August	39.35	99.72	162.19	226.90	294.04	316.70
September	44.27	104.81	167.45	232.35	299.71	316.70
October	49.19	109.89	172.72	237.81	305.37	316.70
November	54.10	114.98	177.98	243.26	311.04	316.70
December	59.02	120.07	183.25	248.72	316.70	316.70

**EXHIBIT "D"**

Tariff Sheets

ALLOWANCE FOR FUNDS PRUDENTLY INVESTED

Formerly UIF Marion  
Marion County

An Allowance for Funds Prudently Invested (AFPI) charge is a mechanism which allows a utility the opportunity to earn a fair rate of return on prudently constructed plant held for future use from the future customers to be served by that plant in the form of a charge paid by those customers.

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
January	\$ 4.92	\$ 64.11	\$ 125.33	\$ 188.70	\$ 254.39
February	\$ 9.84	\$ 69.20	\$ 130.60	\$ 194.16	\$ 260.05
March	\$ 14.76	\$ 74.28	\$ 135.86	\$ 199.61	\$ 265.72
April	\$ 19.67	\$ 79.37	\$ 141.13	\$ 205.07	\$ 271.38
May	\$ 24.59	\$ 84.46	\$ 146.39	\$ 210.53	\$ 277.05
June	\$ 29.51	\$ 89.55	\$ 151.66	\$ 215.98	\$ 282.71
July	\$ 34.43	\$ 94.63	\$ 156.92	\$ 221.44	\$ 288.38
August	\$ 39.35	\$ 99.72	\$ 162.19	\$ 226.90	\$ 294.04
September	\$ 44.27	\$ 104.81	\$ 167.45	\$ 232.35	\$ 299.71
October	\$ 49.19	\$ 109.89	\$ 172.72	\$ 237.81	\$ 305.37
November	\$ 54.10	\$ 114.98	\$ 177.98	\$ 243.26	\$ 311.04
December	\$ 59.02	\$ 120.07	\$ 183.25	\$ 248.72	\$ 316.70

The approved AFPI charges, which are based on one equivalent residential connection (ERC), will be collected from 67 additional ERCs as of December 31, 2015. The amount of the charge will be based on the month in which the connection to the utility is made. If by December 31, 2020, any number of ERCs remain unconnected, the remaining ERCs shall be charged the constant maximum charge of \$316.70 until all 67 additional ERCs are connected, after which the charge will cease.

EFFECTIVE DATE –

TYPE OF FILING – Limited Proceeding

WS-17-0089

JOHN P. HOY  
ISSUING OFFICER

PRESIDENT  
TITLE

ALLOWANCE FOR FUNDS PRUDENTLY INVESTED

Formerly Mid-County Services, Inc.  
Pinellas County

An Allowance for Funds Prudently Invested (AFPI) charge is a mechanism which allows a utility the opportunity to earn a fair rate of return on prudently constructed plant held for future use from the future customers to be served by that plant in the form of a charge paid by those customers.

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
January	\$ 5.56	\$ 72.56	\$ 142.20	\$ 214.69	\$ 290.22
February	\$ 11.13	\$ 78.34	\$ 148.22	\$ 220.96	\$ 296.75
March	\$ 16.69	\$ 84.13	\$ 154.24	\$ 227.23	\$ 303.29
April	\$ 22.26	\$ 89.91	\$ 160.26	\$ 233.51	\$ 309.83
May	\$ 27.82	\$ 95.69	\$ 166.28	\$ 239.78	\$ 316.37
June	\$ 33.39	\$ 101.48	\$ 172.30	\$ 246.05	\$ 322.90
July	\$ 38.95	\$ 107.26	\$ 178.32	\$ 252.32	\$ 329.44
August	\$ 44.52	\$ 113.04	\$ 184.34	\$ 258.59	\$ 335.98
September	\$ 50.08	\$ 118.83	\$ 190.36	\$ 264.86	\$ 342.51
October	\$ 55.65	\$ 124.61	\$ 196.38	\$ 271.14	\$ 349.05
November	\$ 61.21	\$ 130.39	\$ 202.40	\$ 277.41	\$ 355.59
December	\$ 66.78	\$ 136.18	\$ 208.42	\$ 283.68	\$ 362.13

The approved AFPI charges, which are based on one equivalent residential connection (ERC), will be collected from 203 additional ERCs as of December 31, 2015. The amount of the charge will be based on the month in which the connection to the utility is made. If by December 31, 2020, any number of ERCs remain unconnected, the remaining ERCs shall be charged the constant maximum charge of \$362.13 until all 203 additional ERCs are connected, after which the charge will cease.

EFFECTIVE DATE –

TYPE OF FILING – Limited Proceeding

WS-17-0089

JOHN P. HOY  
ISSUING OFFICER

PRESIDENT  
TITLE

ALLOWANCE FOR FUNDS PRUDENTLY INVESTED

Formerly Lake Placid Utilities, Inc.  
Highlands County

An Allowance for Funds Prudently Invested (AFPI) charge is a mechanism which allows a utility the opportunity to earn a fair rate of return on prudently constructed plant held for future use from the future customers to be served by that plant in the form of a charge paid by those customers.

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
January	\$ 6.56	\$ 85.55	\$ 167.79	\$ 253.53	\$ 343.00
February	\$ 13.12	\$ 92.38	\$ 174.91	\$ 260.96	\$ 350.76
March	\$ 19.68	\$ 99.21	\$ 182.03	\$ 268.39	\$ 358.52
April	\$ 26.24	\$ 106.04	\$ 189.15	\$ 275.82	\$ 366.28
May	\$ 32.80	\$ 112.87	\$ 196.27	\$ 283.24	\$ 374.04
June	\$ 39.36	\$ 119.70	\$ 203.39	\$ 290.67	\$ 381.80
July	\$ 45.92	\$ 126.53	\$ 210.51	\$ 298.10	\$ 389.56
August	\$ 52.48	\$ 133.35	\$ 217.63	\$ 305.53	\$ 397.32
September	\$ 59.04	\$ 140.18	\$ 224.75	\$ 312.96	\$ 405.08
October	\$ 65.60	\$ 147.01	\$ 231.87	\$ 320.38	\$ 412.85
November	\$ 72.16	\$ 153.84	\$ 238.99	\$ 327.81	\$ 420.61
December	\$ 78.72	\$ 160.67	\$ 246.10	\$ 335.24	\$ 428.37

The approved AFPI charges, which are based on one equivalent residential connection (ERC), will be collected from 458 additional ERCs as of December 31, 2015. The amount of the charge will be based on the month in which the connection to the utility is made. If by December 31, 2020, any number of ERCs remain unconnected, the remaining ERCs shall be charged the constant maximum charge of \$428.37 until all 458 additional ERCs are connected, after which the charge will cease.

EFFECTIVE DATE –

TYPE OF FILING – Limited Proceeding

WS-17-0089

JOHN P. HOY  
ISSUING OFFICER

PRESIDENT  
TITLE

ALLOWANCE FOR FUNDS PRUDENTLY INVESTED

Formerly Labrador Utilities, Inc.  
Pasco County

An Allowance for Funds Prudently Invested (AFPI) charge is a mechanism which allows a utility the opportunity to earn a fair rate of return on prudently constructed plant held for future use from the future customers to be served by that plant in the form of a charge paid by those customers.

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
January	\$ 8.47	\$ 110.56	\$ 217.72	\$ 330.30	\$ 448.71
February	\$ 16.94	\$ 119.45	\$ 227.06	\$ 340.12	\$ 459.05
March	\$ 25.42	\$ 128.34	\$ 236.40	\$ 349.95	\$ 469.39
April	\$ 33.89	\$ 137.24	\$ 245.74	\$ 359.77	\$ 479.73
May	\$ 42.36	\$ 146.13	\$ 255.08	\$ 369.60	\$ 490.07
June	\$ 50.83	\$ 155.02	\$ 264.42	\$ 379.42	\$ 500.41
July	\$ 59.31	\$ 163.91	\$ 273.76	\$ 389.25	\$ 510.75
August	\$ 67.78	\$ 172.81	\$ 283.11	\$ 399.07	\$ 521.09
September	\$ 76.25	\$ 181.70	\$ 292.45	\$ 408.90	\$ 531.43
October	\$ 84.72	\$ 190.59	\$ 301.79	\$ 418.72	\$ 541.77
November	\$ 93.19	\$ 199.48	\$ 311.13	\$ 428.55	\$ 552.11
December	\$ 101.67	\$ 208.38	\$ 320.47	\$ 438.37	\$ 562.45

The approved AFPI charges, which are based on one equivalent residential connection (ERC), will be collected from 458 additional ERCs as of December 31, 2015. The amount of the charge will be based on the month in which the connection to the utility is made. If by December 31, 2020, any number of ERCs remain unconnected, the remaining ERCs shall be charged the constant maximum charge of \$562.45 until all 458 additional ERCs are connected, after which the charge will cease.

EFFECTIVE DATE –

TYPE OF FILING – Limited Proceeding

WS-17-0089

JOHN P. HOY  
ISSUING OFFICER

PRESIDENT  
TITLE

ALLOWANCE FOR FUNDS PRUDENTLY INVESTED

Formerly Lake Utility Services, Inc.  
 Lake County

An Allowance for Funds Prudently Invested (AFPI) charge is a mechanism which allows a utility the opportunity to earn a fair rate of return on prudently constructed plant held for future use from the future customers to be served by that plant in the form of a charge paid by those customers.

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
January	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
February	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
March	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
April	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
May	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
June	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
July	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
August	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
September	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
October	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
November	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83
December	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83	\$ 1,263.83

The approved AFPI charges, which are based on one equivalent residential connection (ERC), will be collected from 1,471 additional ERCs as of December 31, 2015. The 1,471 ERCs shall be charged a constant charge of \$1,263.83 until all ERCs are connected, afterwhich the charge will cease.

EFFECTIVE DATE –

TYPE OF FILING – Limited Proceeding

WS-17-0089

JOHN P. HOY  
 ISSUING OFFICER

PRESIDENT  
 TITLE