

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase  
in wastewater rates in Monroe  
County by K W Resort Utilities Corp.

Docket No. 20170141-SU

APPLICATION FOR INCREASE IN RATES

Applicant, K W UTILITIES CORP. (the "Utility"), by and through its undersigned attorneys and pursuant to Section 367.081, Florida Statutes, and Chapter 25-30, Florida Administrative Code, files this Application for an increase in its wastewater rates in Monroe County, Florida.

Preliminary Matters

I. The following information is provided pursuant to Rule 25-30.436, Florida Administrative Code:

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

K W Resort Utilities Corp.  
6630 Front Street  
Key West, FL 33040

- (ii) 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)

Barton W. Smith, Esquire  
Smith | Hawks  
138 Simonton Street  
Key West, FL 33040  
Telephone: (305) 296-7227/Fax: (305) 296-8448  
Email: [bart@smithhawks.com](mailto:bart@smithhawks.com)

(b) The Utility is a Florida corporation incorporated in Florida on December 18, 1984. The names and addresses of the persons owning more than 5% of the Utility's stock are:

WS Utility, Inc.	100%
1212 Von Phister Street	
Key West, FL 33040	

(c) The Utility's last rate proceeding before the Commission, which utilized a December 31, 2014 test year, was in Docket No. 150071-SU, which culminated in Order No. PSC-17-0091-FOF-SU, issued March 13, 2017, motions for rehearing were denied by Order No. PSC-17-0242-FOF-SU, issued June 22, 2017.

(d) The address where the Application is available for customer inspection during the time the rate application is pending is:

K W Resort Utilities Corp.  
6630 Front Street  
Key West, FL 33040

Pursuant to Rule 25-22.0407(2), Florida Administrative Code, the Utility is simultaneously herewith mailing a copy of this Application to the governing body of the City of Key West and Monroe County.

(e) The Utility is requesting wastewater rates which would allow it to recover all expenses that the Utility will incur on a going-forward basis utilizing an historic test year, and generate a fair rate of return on its investment on all property considered used and useful in the public service. The Utility is further requesting rates to recover the cost of pro forma projects which will be placed in service with 24 months of the test year. The revenue which the Utility requests should be adjusted to incorporate the repression in the customer usage as a result of the rates established in this case, in accordance with the standard methodology as utilized by the Staff.

(f) The Utility has demonstrated through the supporting schedules within the attached **Volume I** that it is earning outside its range of reasonable returns. Submitted as part of



**Volume I** are schedules of rate base (Schedules A-2 through A-19), cost of capital (Schedules D-1 through D-7), net operating income (Schedules B-2 through B-15 and C-1), and Engineering Schedules (Schedules F-2 through F-10) as applicable, pursuant to Commission Rule 25-30.437(5), F.A.C.

(g) The Affidavit of Christopher A. Johnson, the President of the Utility, certifying that the Utility will comply with Rule 25-22.0407, F.A.C., is attached hereto.

(g) The Utility **does not** request that this Application be processed under the Commission's proposed agency action procedure outlined in Section 367.081(8), Florida Statutes.

2. Pursuant to Rule 25-30.020(2)(e), F.A.C., the appropriate filing fee of \$4,500.00 (more than wastewater 4,000 ERCs) is filed herewith.

3. The Utility knows of no deviations from the policies, procedures and guidelines prescribed by the Commission in relevant rules or in the Utility's last rate case.

#### Additional Information

##### I.

The Utility's Financial, Rate and Engineering Minimum Filing Requirements (Form PSC/WAW 20) are being electronically filed as **Volume I**.

##### II.

The Billing Analysis Schedules as required by Rule 25-30.437(4) are being electronically filed as **Volume II**.

##### III.

The Additional Engineering Information required by Rule 25-30.440(2)-(10), F.A.C. are being electronically filed as **Volume III**.

IV.

One copy of a detailed system map, as required by Section 25-30.440(1)(a) and (b), is provided herewith.

V.

The Revised Tariff Sheets reflecting the proposed interim wastewater rates are attached hereto as **Exhibit "A"**. The Revised Tariff Sheets reflecting the proposed final wastewater rates are attached hereto as **Exhibit "B"**.

VI.

A reconciliation of the annual report to the trial balance and MFRs to the extent it can be done since the Utility is using a mid-year test year is attached as Exhibit "C".

VII.

The Utility requests that the Commission not withhold consent to the effectiveness of the proposed final wastewater rate increase as requested in this Application in accordance with the schedules contained in **Volume I** and the tariffs contained in **Exhibit "B"**.

VIII.

Should the Commission suspend the requested rate increase, then the Utility requests the Commission approve an interim increase in accordance with the schedules contained in Volume I and the tariffs contained in **Exhibit "A"**.

IX.

Provided by e-filing simultaneously with this Application is Pre-Filed Direct Testimony of Christopher A. Johnson, Deborah D. Swain and Frank Seidman.

X.

An Organizational Chart is attached hereto as **Exhibit "D"**.

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

1. Accept jurisdiction of this Application to grant an increase in wastewater rates.
2. Grant interim wastewater rates as requested herein and contained in the tariffs included in **Exhibit "A"**.
3. Grant final wastewater rates as requested herein and contained in the tariffs included in **Exhibit "B"**.
3. Provide such other and further relief as is fair, just and equitable.

Respectfully submitted this 21st day of November, 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)

/s/Martin S. Friedman  
MARTIN S. FRIEDMAN  
For the Firm

and

Barton W. Smith, Esquire  
Smith | Hawks  
138 Simonton Street  
Key West, FL 33040  
Telephone: (305) 296-7227  
Fax: (305) 296-8448  
Email: [bart@smithhawks.com](mailto:bart@smithhawks.com)

**AFFIDAVIT OF CHRISTOPHER A. JOHNSON**

[Pursuant to Rule 25-30.436(1)(f), F.A.C.]

STATE OF FLORIDA  
COUNTY OF MONROE

BEFORE ME, personally appeared Christopher A. Johnson, who is the President of K W Resort Utilities Corp. who states that K W Resort Utilities Corp. will comply with the noticing requirements of Rule 25-22.0407, Florida Administrative Code.

  
Christopher A. Johnson

Sworn to and subscribed before me this 17<sup>th</sup> day of October, 2017, by Christopher A. Johnson, President of K W Resort Utilities Corp., who is personally known to me or has produced \_\_\_\_\_ as identification.



  
NOTARY PUBLIC - STATE OF FLORIDA  
Printed Name: BRANDI GREEN  
My Commission Expires: JUNE 29, 2020

NOTE:

IN ACCORDANCE WITH PUBLIC SERVICE COMMISSION  
RULE 25-22.0407(2), THE MFRs, WHEN ACCEPTED BY THE  
COMMISSION, CAN BE OBTAINED FROM THE UTILITY  
UPON REQUEST.



GENERAL SERVICE

RATE SCHEDULE (GS)

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For wastewater service to all Customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -

<u>Meter Sizes</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 33.79
1"	\$ 84.48
1 1/2"	\$ 168.95
2"	\$ 270.33
3"	\$ 540.65
4"	\$ 844.77
6"	\$ 1,689.54
8"	\$ 2,703.26
8" Turbo	\$ 3,041.16
Charge per 1,000 gallons	\$ 6.71

- MINIMUM CHARGE - Base Facility Charge- In advance
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.
- EFFECTIVE DATE - February \_\_, 2018
- TYPE OF FILING - File and Suspend Rate Case – Interim Rates

CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
TITLE



GENERAL SERVICE

RATE SCHEDULE (GS)

- AVAILABILITY - Harbor Shores Condominium Unit Owners Association, Inc. served by the Company.
- APPLICABILITY - For wastewater service to Harbor Shores Condominium Unit Owners Association, Inc. served by the Company.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly
- RATE -
- | <u>Base Facility Ch</u>                 | <u>Base Facility Charge</u> |
|---|-----------------------------|
| Base Facility Charge                    | \$ 2,331.56                 |
| Charge per 1,000 gallons<br>690,000 cap | \$ 5.60                     |
- MINIMUM CHARGE - Base Facility Charge – In advance
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.
- EFFECTIVE DATE - February \_\_, 2018
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CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
TITLE

RESIDENTIAL SERVICE

RATE SCHEDULE (RS)

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For wastewater service for all purposes in private residences and individually metered apartment units.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
All Meter Sizes	\$ 33.79
Charge per 1,000 gallons 10,000 gallon cap	\$ 5.60

- MINIMUM CHARGE - Base Facility Charge – In advance
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

- EFFECTIVE DATE - February \_\_, 2018
- TYPE OF FILING - File and Suspend Rate Case – Interim Rates

CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
TITLE

REUSE OF RECLAIMED WATER SERVICE

RATE SCHEDULE (RWS)

- AVAILABILITY - Available to Key West Golf Club, Monroe County Detention Center, Florida Keys Community College, Gerald Adams Elementary School, Lower Keys Medical Center and Senior Care Nursing Center.
- APPLICABILITY - For reclaimed wastewater Key West Golf Club, Monroe County Detention Center, Florida Keys Community College, Gerald Adams Elementary School, Lower Keys Medical Center and Senior Care Nursing Center.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE:

Charge Per 1,000 gallons                      \$ 1.42  
(of reclaimed water)

Plus reimbursement to Company for charges the Company may incur for testing samples of water from monitoring wells on Golf Course and Monroe County Detention Center and from the testing of water at the Key West Golf Club storage pond.

Plus reimbursement to Company for charges the Company may incur in connection with daily testing of water at the Golf Course Storage Pond.

MINIMUM PAYMENT: Base Facility Charge per month

TERMS OF PAYMENT: Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice, separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE: February \_\_\_\_, 2018

TYPE OF FILING: File and Suspend Rate Case – Interim Rates

CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
TITLE

PRIVATE LIFT STATION OWNERS

RATE SCHEDULE (PLS)

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For wastewater service to all Customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -

<u>Meter Sizes</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 27.03
1"	\$ 67.58
1 1/2"	\$ 135.16
2"	\$ 216.26
3"	\$ 432.52
4"	\$ 675.81
6"	\$ 1,351.63
8"	\$ 2,162.61

Charge per 1,000 gallons \$ 6.71

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- MINIMUM CHARGE - Base Facility Charge – In advance
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.
- EFFECTIVE DATE - February \_\_\_\_, 2018
- TYPE OF FILING - File and Suspend Rate Case – Interim Rates

CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
TITLE



GENERAL SERVICE

RATE SCHEDULE (GS)

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For wastewater service to all Customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -

<u>Meter Sizes</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 50.74
1"	\$ 126.84
1 1/2"	\$ 253.69
2"	\$ 405.90
3"	\$ 811.79
4"	\$ 1,268.43
6"	\$ 2,536.85
8"	\$ 4,058.96
8" Turbo	\$ 4,566.33
Charge per 1,000 gallons	\$ 10.08

- MINIMUM CHARGE - Base Facility Charge – In advance
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.
- EFFECTIVE DATE - \_\_\_\_\_, 2018
- TYPE OF FILING - File and Suspend Rate Case – Post Hearing Rates

CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
TITLE

GENERAL SERVICE

RATE SCHEDULE (GS)

AVAILABILITY - Harbor Shores Condominium Unit Owners Association, Inc. served by the Company.

APPLICABILITY - For wastewater service to Harbor Shores Condominium Unit Owners Association, Inc. served by the Company.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

RATE -

<u>Base Facility Ch</u>	<u>Base Facility Charge</u>
Base Facility Charge	\$ 3,500.86
Charge per 1,000 gallons 690,000 cap	\$ 8.410

MINIMUM CHARGE - Base Facility Charge – In advance

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE - \_\_\_\_\_, 2018

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CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
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RATE SCHEDULE (RS)

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For wastewater service for all purposes in private residences and individually metered apartment units.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
All Meter Sizes	\$ 50.74
Charge per 1,000 gallons 10,000 gallon cap	\$ 8.41

MINIMUM CHARGE - Base Facility Charge – In advance

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE - \_\_\_\_\_, 2018

TYPE OF FILING - File and Suspend Rate Case – Post Hearing Rates

CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
TITLE

REUSE OF RECLAIMED WATER SERVICE

RATE SCHEDULE (RWS)

- AVAILABILITY - Available to Key West Golf Club, Monroe County Detention Center, Florida Keys Community College, Gerald Adams Elementary School, Lower Keys Medical Center and Senior Care Nursing Center.
- APPLICABILITY - For reclaimed wastewater Key West Golf Club, Monroe County Detention Center, Florida Keys Community College, Gerald Adams Elementary School, Lower Keys Medical Center and Senior Care Nursing Center.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE:

Charge Per 1,000 gallons                      \$ 2.13  
(of reclaimed water)

Plus reimbursement to Company for charges the Company may incur for testing samples of water from monitoring wells on Golf Course and Monroe County Detention Center and from the testing of water at the Key West Golf Club storage pond.

Plus reimbursement to Company for charges the Company may incur in connection with daily testing of water at the Golf Course Storage Pond.

MINIMUM PAYMENT: Base Facility Charge per month

TERMS OF PAYMENT: Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice, separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE: \_\_\_\_\_, 2018

TYPE OF FILING: File and Suspend Rate Case – Post Hearing Rates

\_\_\_\_\_  
CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
TITLE



PRIVATE LIFT STATION OWNERS

RATE SCHEDULE (PLS)

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For wastewater service to all Customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -

<u>Meter Sizes</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 40.59
1"	\$ 101.47
1 1/2"	\$ 202.95
2"	\$ 324.71
3"	\$ 649.44
4"	\$ 1,014.74
6"	\$ 2,029.48
8"	\$ 3,247.17

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Charge per 1,000 gallons \$ 10.08

- MINIMUM CHARGE - Base Facility Charge – In advance
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.
- EFFECTIVE DATE - \_\_\_\_\_, 2018
- TYPE OF FILING - File and Suspend Rate Case – Post Hearing Rates

CHRISTOPHER A. JOHNSON  
ISSUING OFFICER

PRESIDENT  
TITLE

K W RESORT UTILITIES CORP  
Docket No.: 20170141-SU  
Reconciliation of Annual Report to MFRs  
Test Year Ending: June 30, 2017

Account Number - MFR	Description	Amount	Account Number Annual Report	Description	Amount	Page
A-6(a): 351.1	Organization	<u>-</u>	351	Organization	<u>-</u>	S-4(a)
		<u>-</u>			<u>-</u>	
A-6(a): 352.1	Franchises	<u>92,864</u>	352	Franchises	<u>92,864</u>	S-4(a)
		<u>92,864</u>			<u>92,864</u>	0
A-6(a): 353.2	Land and Land Rights	-				
A-6(a): 353.3	Land and Land Rights	-				
A-6(a): 353.4	Land and Land Rights	375,000				
A-6(a): 353.5	Land and Land Rights	-				
A-6(a): 353.6	Land and Land Rights	-				
A-6(a): 353.7	Land and Land Rights	<u>-</u>	353	Land and Land Rights	<u>375,000</u>	S-4(a)
		<u>375,000</u>			<u>375,000</u>	(0)
A-6(a): 354.2	Structures and Improvements	-				
A-6(a): 354.3	Structures and Improvements	875				
A-6(a): 354.4	Structures and Improvements	537,543				
A-6(a): 354.7	Structures and Improvements	<u>-</u>				
		<u>538,418</u>	354	Structures and Improvements	<u>538,418</u>	S-4(a)
					<u>538,418</u>	0
A-6(a): 390.7	Office Furniture and Equipment	<u>30,178</u>				
		<u>30,178</u>	390	Office Furniture and Equipment	<u>30,178</u>	S-4(a)
					<u>30,178</u>	(0)
A-6(a): 393.7	Tools, Shop and Garage Equipment	28,098				
A-6(a): 343.5	Tools, Shop & Garage Equipment	<u>-</u>	393	Tools, Shop and Garage Equipment	<u>28,098</u>	S-4(a)
		<u>28,098</u>			<u>28,098</u>	(0)
A-6(a): 396.7	Communication Equipment	-				
A-6(a): 346.5	Communication Equipment	<u>-</u>	396	Communication Equipment	<u>-</u>	S-4(a)
					<u>-</u>	
A-6(a): 398.7	Other Tangible Plant	-				
A-6(a): 348.5	Other Plant - Allocations	<u>-</u>	398	Other Tangible Plant	<u>-</u>	S-4(a)
					<u>-</u>	
A-6(a): 355.2	Power Generation Equipment	-				
A-6(a): 355.4	Power Generation Equipment	<u>216,345</u>	355	Power Generation Equipment	<u>216,345</u>	S-4(a)
		<u>216,345</u>			<u>216,345</u>	(0)
A-6(a): 360.2	Collection Sewers - Force	<u>3,709,310</u>				
		<u>3,709,310</u>	360	Collection Sewers - Force	<u>3,709,310</u>	S-4(a)
					<u>3,709,310</u>	
A-6(a): 363.2	Services to Customers	<u>95,955</u>	363	Services to Customers	<u>95,955</u>	S-4(a)
		<u>95,955</u>			<u>95,955</u>	(0)

K W RESORT UTILITIES CORP  
Docket No.: 20170141-SU  
Reconciliation of Annual Report to MFRs  
Test Year Ending: June 30, 2017

Account Number - MFR			Account Number Annual Report			Amount	Page
MFR	Description	Amount	Annual Report	Description	Amount	Page	
A-6(a): 361.2	Collection Sewers - Gravity	1,082,705	361	Collection Sewers - Gravity		S-4(a)	
A-6(a): 361.2	Manholes		361	Manholes	1,082,705	S-4(a)	
		<u>1,082,705</u>			<u>1,082,705</u>		0
A-6(a): 364.2	Flow Measuring Devices	2,221	364	Flow Measuring Devices	-	S-4(a)	
		<u>2,221</u>					
							Erroneously included in Flow Measuring Installation Account in the Annual Report. See 365 Flow Measuring Installation.
		<u>2,221</u>			<u>-</u>		2,221
A-6(a): 365.2	Flow Measuring Installation	-	365	Flow Measuring Installation	2,221		
		<u>-</u>			<u>2,221</u>		
							Erroneously included in Flow Measuring Installation Account in the Annual Report. See 364 Flow Measuring Devices
		<u>-</u>			<u>2,221</u>		(2,221)
A-6(a): 370.3	Receiving Wells	884,800	370	Receiving Wells	884,800		
		<u>884,800</u>			<u>884,800</u>		0
A-6(a): 371.3	Pumping Equipment	355,603	371	Pumping Equipment	355,603	S-4(a)	
A-6(a): 371.5	Pumping Equipment	-			<u>355,603</u>		(0)
		<u>355,603</u>			<u>355,603</u>		
A-6(a): 375.6	Reuse Transmission and Distribution System	289,308	375	Reuse Transmission and Distribution System	289,308	S-4(a)	
A-6(a): 374.5	Reuse Distribution Reservoirs	-	374	Reuse Distribution Reservoirs		S-4(a)	
		<u>289,308</u>			<u>289,308</u>		(1) Rounding
A-6(a): 380.4	Treatment and Disposal Equipment	3,777,965	380	Treatment and Disposal Equipment	3,777,965	S-4(a)	
		<u>3,777,965</u>			<u>3,777,965</u>		(0)
A-6(a): 381.4	Plant Sewers	28,762	381	Plant Sewers	28,762	S-4(a)	
		<u>28,762</u>			<u>28,762</u>		0
A-6(a): 389.3	Other Plant Miscellaneous Equipment	44,203	389	Other Plant Miscellaneous Equipment	44,203	S-4(a)	
		<u>44,203</u>			<u>44,203</u>		(0)
A-6(a): 391.7	Transportation Equipment	94,260	391	Transportation Equipment	94,260	S-4(a)	
		<u>94,260</u>			<u>94,260</u>		0

K W RESORT UTILITIES CORP  
Docket No.: 20170141-SU  
Reconciliation of Annual Report to MFRs  
Test Year Ending: June 30, 2017

Account Number - MFR	Description	Amount	Account Number Annual Report	Description	Amount	Page	
A-6(a): 394.7	Laboratory Equipment	17,627	394	Laboratory Equipment	17,627	S-4(a)	0
A-6(a): 344.5	Laboratory Equipment	<u>17,627</u>			<u>17,627</u>		
A-6(a): 395.7	Power Operated Equipment	88,847	395	Power Operated Equipment	88,847	S-4(a)	(0)
A-6(a): 345.5	Power Operated Equipment	<u>88,847</u>			<u>88,847</u>		
A-6(a): 397.7	Miscellaneous Equipment	-	397	Miscellaneous Equipment	-	S-4(a)	-
		<u>-</u>			<u>-</u>		
A-6(a): 392.7	Stores Equipment	1,862	392	Stores Equipment	1,862	S-4(a)	-
		<u>1,862</u>			<u>1,862</u>		
<b>Total Wastewater UPIS A-6(a)</b>		<b>11,754,328</b>	<b>Total Wastewater UPIS S-4(a)</b>		<b>11,754,331</b>		(3) Rounding
A-10(a): 380.4	Accum. Depr. Treatment and Disposal Equipment	2,564,693	380	Accum. Depr. Treatment and Disposal Equipment	2,564,692	S-6(b)	1 Rounding
A-10(a): 380.5	Accum. Depr. Treatment and Disposal Equipment	<u>2,564,693</u>			<u>2,564,692</u>		
A-10(a): 355.2	Accum. Depr. Power Generation Equipment	82,858	355	Accum. Depr. Power Generation Equipment	82,858	S-6(b)	0
A-10(a): 355.4	Accum. Depr. Power Generation Equipment	<u>82,858</u>			<u>82,858</u>		
A-10(a): 370.3	Accum. Depr. Receiving Wells	414,029	370	Accum. Depr. Receiving Wells	414,030	S-6(b)	(1) Rounding
		<u>414,029</u>			<u>414,030</u>		
A-10(a): 374.6	Accum. Depr. Reuse Distribution Reservoir	-	375	Accum. Depr. Reuse Transmission and Distribution System	80,821	S-6(b)	(1) Rounding
A-10(a): 375.6	Accum. Depr. Reuse Transmission and Distribution System	<u>80,820</u>			<u>80,821</u>		
A-10(a): 351.1	Accum. Depr. Organization	-	301	Accum. Depr. Organization	-	S-6(b)	-
		<u>-</u>			<u>-</u>		
A-10(a): 352.1	Accum. Depr. Franchises	40,577	302	Accum. Depr. Franchises	40,578	S-6(b)	(1) Rounding
		<u>40,577</u>			<u>40,578</u>		
A-10(a): 354.2	Accum. Depr. Structures and Improvements	-	354	Accum. Depr. Structures and Improvements	319,033	S-6(b)	(1) Rounding
A-10(a): 354.3	Accum. Depr. Structures and Improvements	394			319,033		
A-10(a): 354.4	Accum. Depr. Structures and Improvements	318,639					
A-10(a): 354.7	Accum. Depr. Structures and Improvements	<u>319,032</u>			<u>319,033</u>		



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A-10(a): 363.2	Accum. Depr. Services to Customers	<u>22,424</u> <u>22,424</u>	363	Accum. Depr. Services to Customers	<u>22,424</u> <u>22,424</u>	S-6(b)	0
A-10(a): 360.2	Accum. Depr. Collection Sewers - Force	<u>2,091,488</u> <u>2,091,488</u>	360	Accum. Depr. Collection Sewers - Force	<u>2,091,487</u> <u>2,091,487</u>	S-6(b)	1 Rounding
A-10(a): 361.2	Accum. Depr. Collection Sewers - Gravity	<u>399,476</u> <u>399,476</u>	361	Accum. Depr. Collection Sewers - Gravity	<u>399,477</u> <u>399,477</u>	S-6(b)	(1) Rounding
A-10(a): 371.3 A-10(a): 371.5	Accum. Depr. Pumping Equipment Accum. Depr. Pumping Equipment	247,650 -	371	Accum. Depr. Pumping Equipment	<u>247,650</u> <u>247,650</u>	S-6(b)	0
A-10(a): 390.7	Accum. Depr. Office Furniture and Equipment	<u>24,346</u> <u>24,346</u>	390	Accum. Depr. Office Furniture and Equipment	<u>24,345</u> <u>24,345</u>	S-6(b)	1 Rounding
A-10(a): 391.7	Accum. Depr. Transportation Equipment	<u>23,631</u> <u>23,631</u>	391	Accum. Depr. Transportation Equipment	<u>23,631</u> <u>23,631</u>	S-6(b)	0
A-10(a): 393.7	Accum. Depr. Tools, Shop and Garage Equipment	<u>28,042</u> <u>28,042</u>	393	Accum. Depr. Tools, Shop and Garage Equipment	<u>28,042</u> <u>28,042</u>	S-6(b)	0
A-10(a): 394.7	Accum. Depr. Laboratory Equipment	<u>10,283</u> <u>10,283</u>	394	Accum. Depr. Laboratory Equipment	<u>10,284</u> <u>10,284</u>	S-6(b)	(1) Rounding
A-10(a): 395.7	Accum. Depr. Power Operated Equipment	<u>76,103</u> <u>76,103</u>	395	Accumulated Depreciation Power Operated Equipment	<u>76,102</u> <u>76,102</u>	S-6(b)	1 Rounding
A-10(a): 396.7	Accum. Depr. Communication Equipment	<u>-</u> <u>-</u>	396	Accum. Depr. Communication Equipment	<u>-</u> <u>-</u>	S-6(b)	-
A-10(a): 398.7	Accum. Depr. Other Tangible Plant	<u>-</u> <u>-</u>	398	Accum. Depr. Other Tangible Plant	<u>-</u> <u>-</u>	S-6(b)	-
A-10(a): 364.2	A/D Flow Measuring Devices	<u>2,221</u> <u>2,221</u>	364	A/D Flow Measuring Devices	<u>2,220</u> <u>2,220</u>		1 Rounding
A-10(a): 397.7	Accum. Depr. Miscellaneous Equipment	<u>-</u> <u>-</u>	397	Accum. Depr. Miscellaneous Equipment	<u>-</u> <u>-</u>	S-6(b)	

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		-			-	-
A-10(a): 381.4	Accum. Depr. Plant Sewers	8,935	381	Accum. Depr. Plant Sewers	8,935	S-6(b)
		<u>8,935</u>			<u>8,935</u>	(0)
A-10(a): 392.7	Accum. Depr. Stores Equipment	879	392	Accum. Depr. Stores Equipment	877	S-6(b)
		<u>879</u>			<u>877</u>	2 Rounding
A-10(a): 389.1	Accum. Depr. Other Plant Miscellaneous Equipment	-				
A-10(a): 389.2	Accum. Depr. Other Plant Miscellaneous Equipment	-				
A-10(a): 389.3	Accum. Depr. Other Plant Miscellaneous Equipment	-				
A-10(a): 389.4	Accum. Depr. Other Plant Miscellaneous Equipment	24,101				
A-10(a): 389.5	Accum. Depr. Other Plant Miscellaneous Equipment	-				
		<u>24,101</u>	389	Accum. Depr. Other Plant Miscellaneous Equipment	24,101	S-6(b)
		<u>24,101</u>			<u>24,101</u>	(0)
	<b>Total Wastewater A/D A-10(a)</b>	<b>6,461,587</b>		<b>Total Wastewater UPIS S-6(b)</b>	<b>6,461,587</b>	<b>0</b>
B-6: 701	Salaries & Wages - Employees	286,121	701	Salaries & Wages - Employees	286,121	S-10(a)
		<u>286,121</u>			<u>286,121</u>	0
B-6: 703	Salaries & Wages - Officers, Etc.	119,738	703	Salaries & Wages - Officers, Etc.	119,738	S-10(a)
		<u>119,738</u>			<u>119,738</u>	(0) (0)
B-6: 704	Employee Pensions & Benefits	81,213	704	Employee Pensions & Benefits	81,213	S-10(a)
		<u>81,213</u>			<u>81,213</u>	0 0
B-6: 710	Purchased Sewage Treatment	-	710	Purchased Sewage Treatment	-	S-10(a)
		<u>-</u>			<u>-</u>	-
B-6: 711	Sludge Removal Expense	13,832	711	Sludge Removal Expense	13,832	S-10(a)
		<u>13,832</u>			<u>13,832</u>	(0)
B-6: 715	Purchased Power	70,217	715	Purchased Power	70,217	S-10(a)
		<u>70,217</u>			<u>70,217</u>	0
B-6: 716	Fuel for Power Purchased	-	716	Fuel for Power Purchased	-	S-10(a)
		<u>-</u>			<u>-</u>	-
B-6: 718	Chemicals	85,435	718	Chemicals	85,435	S-10(a)
		<u>85,435</u>			<u>85,435</u>	0
B-6: 720	Materials & Supplies	43,583	720	Materials & Supplies	43,581	S-10(a)
		<u>43,583</u>			<u>43,581</u>	2 Rounding
B-6: 731	Contractual Services - Engr.	13,354	731	Contractual Services - Engr.	13,354	S-10(a)

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		<u>13,354</u>			<u>13,354</u>	(0)
B-6: 732	Contractual Services - Acct.	<u>3,300</u> <u>3,300</u>	732	Contractual Services - Acct.	<u>3,300</u> <u>3,300</u>	S-10(a) -
B-6: 733	Contractual Services - Legal	<u>2,420</u> <u>2,420</u>	733	Contractual Services - Legal	<u>2,420</u> <u>2,420</u>	S-10(a) (0)
B-6: 734	Contractual Services - Mgmt. Fees	<u>30,000</u> <u>30,000</u>	734	Contractual Services - Mgmt. Fees	<u>30,000</u> <u>30,000</u>	S-10(a) -
B-6: 735	Contractual Services - Testing	<u>12,177</u> <u>12,177</u>	735	Contractual Services - Testing	<u>12,177</u> <u>12,177</u>	S-10(a) (0)
B-6: 736	Contractual Services - Other	<u>-</u> <u>-</u>	736	Contractual Services - Other	<u>-</u> <u>-</u>	S-10(a) -
B-6: 741	Rental of Building/Real Prop.	<u>100</u> <u>100</u>	741	Rental of Building/Real Prop.	<u>100</u> <u>100</u>	S-10(a) -
B-6: 742	Rental of Equipment	<u>-</u> <u>-</u>	742	Rental of Equipment	<u>-</u> <u>-</u>	S-10(a) -
B-6: 750	Transportation Expenses	<u>13,515</u> <u>13,515</u>	750	Transportation Expenses	<u>13,515</u> <u>13,515</u>	S-10(a) (0) Rounding
B-6: 756	Insurance - Vehicle	<u>-</u> <u>-</u>	756	Insurance - Vehicle	<u>-</u> <u>-</u>	S-10(a) -
B-6: 757	Insurance - General Liability	<u>21,222</u> <u>21,222</u>	757	Insurance - General Liability	<u>21,222</u> <u>21,222</u>	S-10(a) (0)
B-6: 758	Insurance - Workman's Comp.	<u>13,897</u> <u>13,897</u>	758	Insurance - Workman's Comp.	<u>13,897</u> <u>13,897</u>	S-10(a) (0)
B-6: 759	Insurance - Other	<u>-</u> <u>-</u>	759	Insurance - Other	<u>-</u> <u>-</u>	S-10(a) -
B-6: 760	Advertising Expense	<u>1,376</u> <u>1,376</u>	760	Advertising Expense	<u>1,376</u> <u>1,376</u>	S-10(a) (0)
B-6: 766	Reg. Comm. Exp. - Rate Case Amort.	<u>-</u> <u>-</u>	766	Reg. Comm. Exp. - Rate Case Amort.	<u>-</u> <u>-</u>	S-10(a) -
B-6: 767	Reg. Comm. Exp. - Other	<u>-</u> <u>-</u>	767	Reg. Comm. Exp. - Other	<u>-</u> <u>-</u>	S-10(a) -
B-6: 770	Bad Debt Expense	<u>-</u> <u>-</u>	770	Bad Debt Expense	<u>-</u> <u>-</u>	S-10(a)

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		-			-		
B-6: 775	Miscellaneous Expenses	21,929	775	Miscellaneous Expenses	21,929	S-10(a)	
		<u>21,929</u>			<u>21,929</u>		0 Rounding
	<b>Total O&amp;M Expenses per 8-6 for July 2016 through December 2016</b>	<b>833,427</b>		<b>Total O&amp;M Expenses per Annual Report for July 2016 through December 2016</b>	<b>833,427</b>		0
	<b>WASTEWATER</b>						
A-12(a)	Plant Capacity Fees	707,000					
A-12(a)	Line/Main Extension Fees	9,493,585					
A-12(a)	Contributed Property	-					
A-12(a)	Other - Tap Fees	-					
A-12(a)	<b>Total Wastewater CIAC A-12</b>	<b>10,200,585</b>	271	Contributions in Aid of Construction	10,200,586	F-2(b)	
					<u>10,200,586</u>		(1) Rounding
	<b>WASTEWATER</b>						
A-14(a)	Plant Capacity Fees	432,056					
A-14(a)	Line/Main Extension Fees	3,465,165					
A-14(a)	Contributed Property	-					
A-14(a)	Other - Tap Fees	-					
A-14(a)	<b>Total Wastewater CIAC Amortization A-12</b>	<b>3,897,220</b>		Amortization of Contributions in Aid of Construction	3,897,220	F-2(b)	0
					<u>3,897,220</u>		
A-18; Line 5	Utility Plant in Service	14,695,193	101-106	Utility Plant	14,695,195	F-1(a)	
A-18; Line 6	Less: Accum. Depr.	(6,461,586)	108-110	Less: Accumulated Depreciation	(6,461,587)	F-1(a)	
A-18; Line 8	<b>NET UTILITY PLANT</b>	<b>8,233,607</b>		<b>Total Net Utility Plant</b>	<b>8,233,608</b>	F-1(a)	(1) Rounding
					<u>8,233,608</u>		
A-18; Line 10	Cash	706,804	131	Cash	706,804	F-1(a)	(0)
		<u>706,804</u>			<u>706,804</u>		
A-18; Line 11	Special Deposits	503,958	132	Special Deposits	503,958	F-1(a)	(0)
		<u>503,958</u>			<u>503,958</u>		
A-18; Line 12	Accounts Rec'b - trade	235,768					
A-18; Line 16	Accounts Rec'b - Other	47,988					
A-18; Line 19	Allowance for Bad Debts	(10,000)	141-144	Accounts & Notes Receivable Less Provision for Uncollectable Accounts	273,756	F-1(a)	(0)
		<u>273,756</u>			<u>273,756</u>		
A-18; Line 17	Prepayments	32,097	162	Prepayments	32,097	F-1(a)	(0)
		<u>32,097</u>			<u>32,097</u>		
A-18; Line 21	Miscellaneous Current & Accrued Assets	16,589	174	Misc. Current and Accrued Assets	16,589		



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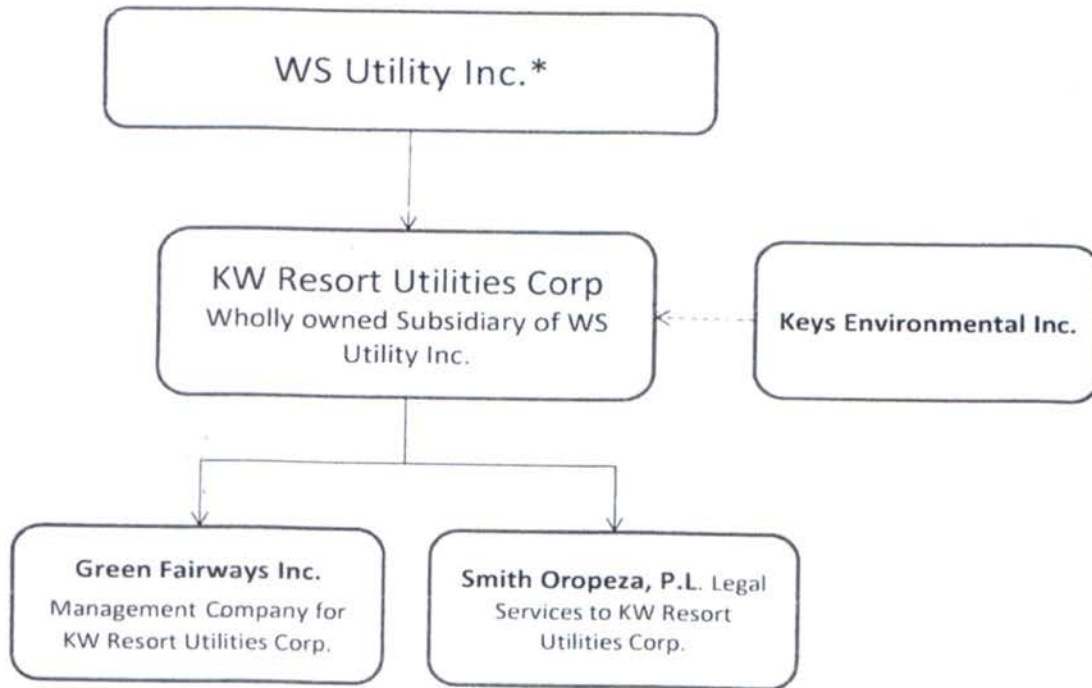
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		<u>16,589</u>			<u>16,589</u>	F-1(a)	0
A-18; Line 23	TOTAL CURRENT ASSETS	<u>1,533,203</u>		<b>Total Current and Accrued Assets</b>	<u>1,533,204</u>		(1)
A-18; Line 26	Unamortized Debt Discount & Exp.	<u>54,470</u>	181	Unamortized Debt Discount & Exp.	<u>54,469</u>		1
		<u>54,470</u>			<u>54,469</u>		
A-18; Line 27	Prelim. Survey & Investigation Charges	<u>45,831</u>	183	Preliminary Survey & Investigation Charges	<u>45,831</u>	F-1(b)	(0)
		<u>45,831</u>			<u>45,831</u>		
A-18; Line 28	Clearing Accounts	-					
A-18; Line 29	Deferred Rate Case Expense	430,828					
A-18; Line 30	Deferred Rate Case Expense 2017						
A-18; Line 21	Other Miscellaneous Deferred Debits	<u>496,973</u>	186	Misc. Deferred Debits	<u>927,801</u>	F-1(b)	-
		<u>927,801</u>			<u>927,801</u>		
A-18; Line 35	TOTAL ASSETS	<u>10,794,911</u>		<b>TOTAL ASSETS AND OTHER DEBITS</b>	<u>10,794,913</u>	F-1(b)	(2) Rounding
A-19; Line 1	Common Stock Issued	1,000	201	Common Stock Issued	1,000	F-2(a)	
A-19; Line 3	Additional Paid in Capital	3,400,205	211	Additional Paid in Capital	3,400,205	F-2(a)	
A-19; Line 4	Retained Earnings	(1,163,802)	214-215	Retained Earnings	(1,163,801)	F-2(a)	
A-19; Line 7	TOTAL EQUITY CAPITAL	<u>2,237,403</u>		TOTAL EQUITY CAPITAL	<u>2,237,404</u>	F-2(a)	(1) Rounding
A-19; Line 11	Advances from Associated Companies	-	223	Advances from Associated Companies			
A-19; Line 12	Other Long-Term Debt	979,167					
A-19; Line 13	Other Long-Term Debt(BB&T)	741,000	224	Other Long-Term Debt	<u>1,720,167</u>		
A-19; Line 15	TOTAL LONG-TERM DEBT	<u>1,720,167</u>			<u>1,720,167</u>	F-2(a)	(0)
A-19; Line 17	Accounts Payable	212,013	231	Accounts Payable	212,013	F-2(a)	
A-19; Line 19	Notes & Accounts Payable -Assoc Cos.	-	234	Notes & Accounts Payable -Assoc Cos.		F-2(a)	
A-19; Line 20	Customer Deposits	201,977	235	Customer Deposits	201,977	F-2(a)	
A-19; Line 21	Accrued Taxes	57,209	236	Accrued Taxes	57,209	F-2(a)	
A-19; Line 25	Misc. Current and Accrued Liabilities	62,776	241	Misc. Current and Accrued Liabilities	<u>62,777</u>	F-2(a)	
A-19; Line 27	TOTAL CURRENT & ACCRUED LIABILITIES	<u>533,976</u>		TOTAL CURRENT & ACCRUED LIABILITIES	<u>533,976</u>	F-2(a)	(0)
A-19; Line 36	Contribution in Aid of Construction	<u>10,200,586</u>	271	Contribution in Aid of Construction	<u>10,200,586</u>	F-2(b)	(0) Rounding
		<u>10,200,586</u>			<u>10,200,586</u>		
A-19; Line 37	Accum. Amortization of CIAC	<u>(3,897,220)</u>	272	Accum. Amortization of CIAC	<u>(3,897,220)</u>	F-2(b)	-
		<u>(3,897,220)</u>			<u>(3,897,220)</u>		-
A-19; Line 38	Accumulated Deferred Income Taxes	-	281-283	Accumulated Deferred Income Taxes		F-2(b)	-
							-

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A-18; Line 41	TOTAL EQUITY CAPITAL AND LIABILITIES	<u>10,794,911</u>		Total Current and Accrued Assets	<u>10,794,913</u>	(2) Rounding

Please note that some accounts may have a small difference, which is due to rounding error.

Parent / Affiliate Organization Chart



\*Ownership of WS Utility Inc. is as follows:

- 70% William Smith
- 10% Alexander Smith
- 10% Leslie Johnson
- 10% Barton Smith