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July 19, 2019
VIA E-FILING

Adam Teitzman, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Re: Docket No. 20190080-WS - Application for limited proceeding rate increase in Brevard County, by Aquarina Utilities, Inc.
Our Matter No.: 070942

Dear Mr. Teitzman:

On behalf of Aquarina Utilities, Inc. ("Utility") this letter is the additional responses to Staff's Deficiency Letter dated April 24, 2019.

1. Rule 25-30.445(4)(c), Florida Administrative Code (F.A.C.), requires the utility to provide a schedule that provides the specific rate base components for which the utility seeks recovery. Supporting detail shall be provided for each item requested. Please provide: (1) the date the item will be or is projected to be placed in service; and (2) any corresponding adjustments that are required as a result of adding or removing the requested components(s) from rate base, which may include retirement entries.

RESPONSE: See Attachment 1.

2. Rule 25-30.445(4)(d), F.A.C., requires the utility to include supporting detail of a request for recovery of plant in service, accumulated depreciation, and depreciation expense. Please provide supporting detail for the effect of the requested projects on accumulated depreciation and depreciation expense.

RESPONSE: See Attachment 2.

3. Rule 25-30.445(4)(e), F.A.C., requires the utility to provide a calculation of the weighted average cost of capital for the most recent 12-month period, using the midpoint of the range of the last authorized rate of return on equity, the current embedded cost of fixed-rate capital, the actual cost of other short-term debt, the actual cost of variable-cost debt, and the actual cost of other sources of capital which were used in the last individual rate proceeding. The Utility referenced the weighted cost of capital set forth in Order No. PSC-2016-0583-PAA-WS, however, the rule requires the weighted average cost of capital calculation to be based on the most recent 12-month period. Please provide a calculation of the weighted average cost of capital based on the most recent 12-month period.

RESPONSE: See Attachment 3.

4. Rule 25-30.445(4)(j), F.A.C., requires the utility to provide annualized revenues for the most recent 12-month period using the rates in effect at the time the utility files its application for limited proceeding and a schedule reflecting this calculation by customer class and meter size. The Utility stated the aforementioned was attached with the application as Exhibit "E", however, the attachment was not found. Please provide annualized revenues for the most recent 12-month period.

RESPONSE: This will be filed with the response to 7.

5. Rule 25-30.445(4)(k), F.A.C., requires the utility to provide a schedule of current and proposed rates for all classes of customers. Please provide a schedule of current and proposed rates for all classes of customers.

RESPONSE: This will be filed with the response to 7.

6. Rule 25-30.445(4)(l), F.A.C., requires the utility to provide schedules for the most recent 12-month period showing that, without any increased rates, the utility will earn below its authorized rate of return. The schedules shall consist of a rate base, net operating income and cost of capital schedule with adjustments to reflect those consistent with the utility's last rate proceeding. Please provide a schedule showing the Utility will earn below its authorized rate of return.

RESPONSE: See Attachment 6.

7. Rule 25-30.445(4)(m), F.A.C., requires the utility to provide a copy of all workpapers and calculations used to calculate requested rates and allocations between each customer class. The test year shall be the most recent 12-month period. In addition, the following schedules shall be provided:

- a. Schedule E-2, entitled "Revenue Schedule at Present and Proposed Rates," is available at <http://www.flrules.org/Gateway/reference.asp?No=Ref-08251>.
- b. Schedule E-14, entitled "Billing Analysis Schedules," is available at <http://www.flrules.org/Gateway/reference.asp?No=Ref-08252>. Only two copies are required.

Please provide a copy of all workpapers and calculations used to calculate the change in current rate structure, as well as the aforementioned schedules

Adam Teitzman, Commission Clerk
July 19, 2019
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RESPONSE: The Utility's consultant is on vacation and will complete these schedules during the first week of August.

Should you or Staff have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,

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

cc: Kevin & Holly Burge (via e-mail)
Jeff Small (via e-mail)

ATTACHMENT 1 and 2

Aquarina, Utilities, Inc.
Proforma Plant in Service Request

NARUC			In service	Estimate	Retirement	Net Addition	Dep Rate	Annual Dep Exp	Net PIS Balance at YE		Net A/D Balance at YE	
Item	Acct #s	Item							2018	2019	2018	2019
1	304.000	Reverse Osmosis Bldg Roof	TBD	\$16,500.00	(\$12,375.00)	\$4,125.00	3.03%	\$125.00	\$4,000.00	\$3,875.00	(\$125.00)	(\$250.00)
2		Motors and Pumps		Invoice								
	311.100	Non-Potable		Enclosed								
		75 HP Golf Course Pump New	2018	\$6,724.42	(\$5,043.32)	\$1,681.11	5.00%	\$84.06	\$1,597.05	\$1,512.99	(\$84.06)	(\$168.11)
		75 HP Gold Course Pump Repair	2018	\$3,636.10		\$3,636.10	5.00%	\$181.81	\$3,454.30	\$3,272.49	(\$181.81)	(\$363.61)
		60 HP VFD Drive/ Pump	2017	\$4,990.00	(\$3,742.50)	\$1,247.50	5.00%	\$62.38	\$1,185.13	\$1,122.75	(\$62.38)	(\$124.75)
		NP Pumps wiring	2017	\$557.75		\$557.75	5.00%	\$27.89	\$529.86	\$501.98	(\$27.89)	(\$55.78)
		75HP VFD Drive NEW	2017	\$9,125.00	(\$6,843.75)	\$2,281.25	5.00%	\$114.06	\$2,167.19	\$2,053.13	(\$114.06)	(\$228.13)
		75HP VFD Drive Replaced	2017	\$980.00		\$980.00	5.00%	\$49.00	\$931.00	\$882.00	(\$49.00)	(\$98.00)
				\$26,013.27	(\$15,629.57)	\$10,383.71		\$519.19	\$9,864.52	\$9,345.33	(\$519.19)	(\$1,038.37)
	320.000	Potable										
		7.5 R/O Motor	2017	\$850.00	(\$637.50)	\$212.50	4.55%	\$9.66	\$202.84	\$193.18	(\$9.66)	(\$19.32)
		R/O Motor Fittings and Repair	2017	\$408.71		\$408.71	4.55%	\$18.58	\$390.13	\$371.55	(\$18.58)	(\$37.16)
		60 HP R/O Pump Repair	2018	\$3,426.90		\$3,426.90	4.55%	\$155.77	\$3,271.13	\$3,115.36	(\$155.77)	(\$311.54)
		60 HP R/O Pump and Motor NEW	2017	\$8,290.19	(\$6,217.64)	\$2,072.55	4.55%	\$94.21	\$1,978.34	\$1,884.13	(\$94.21)	(\$188.41)
				\$12,975.80	(\$22,484.71)	\$16,504.36		\$797.40	\$15,706.97	\$14,909.57	(\$797.40)	(\$1,594.79)
3		Lift Station, Main		Invoiced								
	370.000	Panel, Enclosure, Pump		\$19,368.94	(\$14,526.71)	\$4,842.24	4.00%	\$193.69	\$4,648.55	\$4,454.86	(\$193.69)	(\$387.38)
				\$74,858.01	(\$65,015.98)	\$35,855.30		\$1,635.27	\$34,220.03	\$32,584.76	(\$1,635.27)	(\$3,270.54)

A No retirement needed because it was a large non-recurring expense that extended the life of the asset.

ATTACHMENT 3

Cost of Capital
Company: Aquarina Utilities, Inc.
Docket No.: 20190080-WS
12-Month Period Ended: 06/30/2019
Water [X] Wastewater [X] Irrigation [X]

Florida Public Service Commission
Schedule: D-1
Page 1 of 1
Preparer: J. Small

Explanation: Provide a schedule which calculates the requested cost of capital.

No.	(A) Class of Capital	(B) Per Book Balance	Utility Adjustments	(B) Adjusted Balance	(C) Ratio	(D) Cost Rate	(E) Weighted Cost
1							
2	Long-Term Debt	\$99,537	\$0	\$99,537	42.52%	5.24%	2.23%
3							
4	Long-Term Note Payable (related parties)	\$747,649	(\$747,649)	\$0	0.00%		0.00%
5							
6	Short-Term Debt	\$0	\$0	\$0	0.00%		0.00%
7							
8	Common Equity	(\$613,075)	\$747,649	\$134,574	57.48%	9.18%	5.28%
9							
10	Customer Deposits	\$63	(\$63)	\$0	0.00%	2.00%	0.00%
11							
12	Total	<u>\$234,174</u>	<u>(\$63)</u>	<u>\$234,111</u>			<u>7.50%</u>
13							
14							

15 Notes:
 16 The cost of equity is based on the leverage formula in effect pursuant to Order No. PSC-2019-0267-PAA-WS, issued July 1, 2019.
 17 A negative equity balance is set at zero per Commission practice.
 18 Related party loans and debt are removed and treated as equity per Commission practice.
 19 The Utility has suspended the collection of customer deposits due to administrative costs for record keeping.
 20

Return on Equity Calculation

Company: Aquarina Utilities, Inc.

Docket No.: 20190080-WS

12-Month Period Ended: 06/30/2019

Water [X] Wastewater [X] Irrigation [X]

Leverage Graph Calculation:

ROE = 6.05% + 1.80/ Equity Ratio
Equity Ratio = Common Equity / (Common Equity + Preferred Equity + LT Debt + ST Debt)

Equity Ratio = Maximum of 100% Minimum of 40%
Than ROE = 7.85% 10.55%

Calculation:

ROE = 6.05% + 1.80% / 57.48% (input)

ROE = 6.05% + 3.13% = 9.18%

Common Equity	\$134,574	(input)	57.48%	(calculated)
Preferred Equity	\$0	(input)		
LT Debt	\$99,537	(input)		
ST Debt	\$0	(input)		
Sum	\$234,111	(calculated)		

Pursuant to Order No. PSC-2019-0267-PAA-WS, issued July 1, 2019.

Aquarina Utilities, Inc.
General Ledger Balance Sheet
12-Month Period Ended 06/30/2019

Account/Description	System	06/30/18	Activity	06/30/19		
131.000 · OCULINA BANK CHECKING	ADM	\$3,655.90	(\$2,831.28)	\$824.62		
131.10 · BB&T Checking	ADM	(\$310.38)	(\$447.31)	(\$757.69)		
133.000 · OCULINA BANK SAVINGS	ADM	\$123.14	\$0.00	\$123.14		
141.000 · CUSTOMER ACCOUNTS RECEIVABLE	ADM	\$11,883.33	(\$121.98)	\$11,761.35		
186.002 · A/A- Deferred Rate Case Exp	ADM	(\$773.00)	(\$773.00)	(\$1,546.00)		
186.003 · Deferred Rate Case Expe- Sewer	ADM	\$3,092.21	\$0.00	\$3,092.21		
2014 Ind Riv. Hem. Lite Trailer	ADM	\$0.00	\$55,000.00	\$55,000.00		
2014 IR Hem Lite Trailer	ADM	\$0.00	(\$36,300.00)	(\$36,300.00)		
186.007 · Deferred rate case exp other	ADM	\$0.00	\$144.00	\$144.00		
201.000 · COMMON STOCK	ADM	(\$1,000.00)	\$0.00	(\$1,000.00)		
211.000 · OTHER PAID-IN CAPITAL	ADM	(\$227,878.00)	(\$43,200.00)	(\$271,078.00)		
231.000 · A/P TRADE	ADM	(\$37,743.75)	\$23,139.97	(\$14,603.78)		
231.100 · A/P AQUARINA WATERWORKS, INC.	ADM	(\$300.00)	\$300.00	\$0.00		
231.110 · A/P KEVIN & HOLLY BURGE	ADM	(\$240,516.61)	\$240,516.61	\$0.00		
231.120 · A/P K&H BURGE INCOME TAX	ADM	(\$10,690.85)	\$10,690.85	\$0.00		
231.130 · A/P K&H BURGE MATERIALS	ADM	(\$28,218.22)	\$32,828.08	\$4,609.86		
231.140 · A/P K&H BURGE RENTALS & FEES	ADM	(\$49,826.07)	\$41,426.07	(\$8,400.00)		
231.150 · A/P K&H BURGE S/T CASH LOANS	ADM	(\$3,337.11)	(\$133.89)	(\$3,471.00)		
231.160 · A/P K&H BURGE UNPAID PAY HOLLY	ADM	(\$67,861.42)	\$67,861.42	\$0.00		
231.170 · A/P K&H BURGE UNPAID PAY KEVIN	ADM	(\$67,656.00)	\$67,656.00	\$0.00		
231.180 · A/P LOIS BURGE	ADM	(\$13,146.59)	\$13,146.59	\$0.00		
231.190 · A/P L BURGE MATERIALS	ADM	\$4,327.02	(\$4,327.02)	\$0.00		
231.200 · A/P L BURGE MISC RENTALS&FEES	ADM	(\$7,041.92)	\$7,041.92	\$0.00		
231.210 · A/P L BURGE S/T CASH LOANS	ADM	\$6,144.37	(\$6,144.37)	\$0.00		
231.220 · A/P L BURGE UNPAID PAYROLL	ADM	(\$6,797.00)	\$6,797.00	\$0.00		
231.230 · A/P TREASURE COAST AUDIOLOGY	ADM	(\$13,000.00)	\$13,000.00	\$0.00		
232.050 · 2016 GMC Sierra 3500	ADM	(\$27,437.24)	\$12,490.74	(\$14,946.50)		
232.051 · 2018 FORD EXPEDITION	ADM	\$0.00	(\$72,632.46)	(\$72,632.46)		
232.150 · NOTE PAYABLE HEATHER HACKNEY	ADM	(\$73,571.09)	(\$5,718.22)	(\$79,289.31)		
232.151 · Heather Hackney 2017 Loan	ADM	(\$35,636.47)	(\$8,720.68)	(\$44,357.15)		
232.160 · NOTE PAYABLE LOIS BURGE	ADM	(\$163,389.77)	\$6,664.67	(\$156,725.10)		
232.200 · Mortgage to K & H Burge	ADM	\$0.00	(\$467,276.94)	(\$467,276.94)		
232.300 · N/P STATE REVOL FUND (DEP LOAN)	ADM	(\$11,347.66)	(\$610.87)	(\$11,958.53)		
235.000 · CUSTOMER DEPOSITS	ADM	(\$63.42)	\$0.00	(\$63.42)		
236.100 · ACCRUED T.O.T.I. RAF(W&S)	ADM	(\$18,075.36)	\$8,968.41	(\$9,106.95)		
236.300 · ACCRUED T.O.T.I. PROP (W&S)	ADM	(\$2,985.85)	\$491.55	(\$2,494.30)		
237.112 · Accrued Int-Kevin/Holly AP	ADM	(\$76,836.15)	(\$29,794.67)	(\$106,630.82)		
237.113 · ACCRUED INT-RLOIS BURGE AP	ADM	(\$19,624.93)	(\$634.83)	(\$20,259.76)		
237.114 · ACCRUED INT- HEATHER HACKNEY	ADM	(\$30,200.00)	\$30,200.00	\$0.00		
30000 · Opening Balance Equity	ADM	(\$195.00)	\$3,176.85	\$2,981.85		
320.010 · Retained Earnings	ADM	\$1,002,125.43	\$0.00	\$1,002,125.43		
320.010 · Retained Earnings (Current Year)	ADM	(\$53,530.16)	(\$66,423.78)	(\$119,953.94)		
333.100 · Purchased Power Deposits	ADM	(\$136.56)	\$150.36	\$13.80		
BB&T Spectrum Travel Rewards	ADM	\$0.00	(\$12,869.15)	(\$12,869.15)		
Capital One Spark Business 3884	ADM	\$0.00	(\$14,054.32)	(\$14,054.32)		
Chase Ink 4732 Holly	ADM	(\$15,888.10)	(\$2,971.90)	(\$18,860.00)		
Chase Ink 6888 Kevin	ADM	(\$11,239.00)	(\$2,723.24)	(\$13,962.24)		
TOTAL	ADM	(\$284,902.28)	(\$137,018.82)	(\$421,921.10)		
108.011 · A/D Organization- NP?	IRR	(\$532.66)	(\$16.33)	(\$548.99)		
108.071 · A/D Wells & Springs NP	IRR	(\$115,430.00)	\$0.00	(\$115,430.00)		
108.091 · A/D Supply Mains-NP?	IRR	(\$14,970.76)	(\$724.38)	(\$15,695.14)		
108.111 · A/D Pumping Equipment NP?	IRR	(\$59,722.30)	(\$5,157.15)	(\$64,879.45)		
108.211 · A/D Water Treatment Eq- NP	IRR	(\$39,669.00)	\$0.00	(\$39,669.00)		
108.301 · A/D Dist Reservoirs- NP	IRR	(\$512,792.00)	\$0.00	(\$512,792.00)		
108.311 · A/D TTMNT & DIST MAIN	IRR	(\$76,436.08)	(\$3,583.04)	(\$80,019.12)		
108.341 · A/D Meters- NP	IRR	(\$3,053.41)	(\$1,888.64)	(\$4,942.05)		
108.351 · A/D-HYDRANTS	IRR	(\$5,144.55)	(\$223.11)	(\$5,367.66)		
108.391 · A/D-Misc Plant Equip	IRR	(\$525.68)	(\$244.17)	(\$769.85)		
186.004 · A/A Deferred Rate Case Exp NP	IRR	(\$773.00)	(\$773.00)	(\$1,546.00)		
186.005 · Deferred Rate Case Exp- NP	IRR	\$3,092.20	\$0.00	\$3,092.20		

Long-Term Debt	Accts
(\$14,946.50)	232.050
(\$72,632.46)	232.051
(\$11,958.53)	232.300
(\$99,537.49)	

Note Payable (related)	Accts
(\$79,289.31)	232.150
(\$44,357.15)	232.151
(\$156,725.10)	232.160
(\$467,276.94)	232.200
(\$747,648.50)	

Common Equity:	Accts
\$1,002,125.43	320.010
\$2,981.85	30000
(\$119,953.94)	320.010 (current)
(\$1,000.00)	201.000
(\$271,078.00)	211.000
\$613,075.34	

Aquarina Utilities, Inc.
General Ledger Balance Sheet
12-Month Period Ended 06/30/2019

Account/Description	System	06/30/18	Activity	06/30/19	
271.300 · CIAC- Capacity Charges NP	IRR	(\$35,785.00)	\$0.00	(\$35,785.00)	
272.300 · CIAC Accumulated Amort- NP	IRR	\$21,872.63	\$894.63	\$22,767.26	
301.100 · ORGANIZATION- NON-POTABLE	IRR	\$653.33	\$0.00	\$653.33	
303.100 · Land & Land Rights NP	IRR	\$24,498.00	\$0.00	\$24,498.00	
307.100 · Wells & Springs- NP	IRR	\$115,430.00	\$0.00	\$115,430.00	
309.100 · Supply Mains- NP	IRR	\$23,143.00	\$0.00	\$23,143.00	
311.100 · PUMPING EQUIPMENT- NON-POTABLE	IRR	\$103,143.07	\$0.00	\$103,143.07	
320.100 · Water Treatment Eq-NP	IRR	\$39,669.00	\$0.00	\$39,669.00	
330.100 · Distribution Reservoir- NP	IRR	\$512,792.00	\$0.00	\$512,792.00	
331.100 · TRANS & DISTR MAINS- NON-POTAB	IRR	\$153,778.70	\$0.00	\$153,778.70	
334.100 · METERS & INSTALL- NON-POTABLE	IRR	\$40,033.03	\$0.00	\$40,033.03	
335.100 · Hydrants-NP	IRR	\$10,050.00	\$0.00	\$10,050.00	
339.100 · OTHER PLANT & MISC EQUIP- NON-P	IRR	\$6,104.37	\$0.00	\$6,104.37	
341.100 · Transportation Equipment- NP	IRR	\$0.00	\$27,368.76	\$27,368.76	
TOTAL	IRR	\$189,424.89	\$15,653.57	\$205,078.46	
					NP Net Rate Base: Less Accts
					\$205,078.46
					\$1,546.00 186.006
					(\$3,092.20) 186.007
					\$203,532.26
108.510 · A/D ORGANIZATION S	SEW	(\$927.50)	(\$26.25)	(\$953.75)	
108.540 · A/D STRUCT & IMPROVEMENTS S	SEW	(\$22,002.00)	\$0.00	(\$22,002.00)	
108.600 · A/D COLL. SEWER FORCE	SEW	(\$164,230.00)	\$0.00	(\$164,230.00)	
108.610 · A/D COLL. SEWER GRAVITY	SEW	(\$182,248.75)	(\$7,290.35)	(\$189,539.10)	
108.630 · A/D SERVICES S	SEW	(\$148,522.25)	(\$4,496.25)	(\$153,018.50)	
108.710 · A/D PUMPING EQUIP S	SEW	(\$45,973.15)	(\$2,903.04)	(\$48,876.19)	
108.800 · A/D TREATMENT & DISPOSAL EQUIP	SEW	(\$704,033.00)	(\$311.95)	(\$704,344.95)	
108.820 · A/D OUTFALL SEWER LINES	SEW	(\$144,908.00)	\$0.00	(\$144,908.00)	
108.890 · A/D OTHER PLANT/ MISC EQUIP S	SEW	(\$1,643.85)	(\$680.73)	(\$2,324.58)	
108.900 · A/D OFFICE FURN & EQUIP	SEW	\$0.00	\$0.00	\$0.00	
108.910 · A/D TRANSPORTATION EQUIP S	SEW	(\$19,510.19)	(\$7,437.20)	(\$26,947.39)	
108.940 · Lab Equipment- S	SEW	(\$204.38)	(\$37.69)	(\$242.07)	
108.980 · A/D OTHER TANGIBLE PLANT	SEW	(\$3,449.00)	(\$355.42)	(\$3,804.42)	
186.006 · A/A Deferred Rate Case Exp S	SEW	(\$773.00)	(\$773.00)	(\$1,546.00)	
271.200 · CIAC-CAPACITY CHARGES (SEWER)	SEW	(\$602,568.00)	(\$2,175.00)	(\$604,743.00)	
272.200 · CIAC-ACCUMULATED AMORT- SEWER	SEW	\$386,528.50	\$26,606.24	\$413,134.74	
351.000 · -ORGANIZATION-	SEW	\$1,050.00	\$0.00	\$1,050.00	
353.000 · -LAND & LAND RIGHTS	SEW	\$33,680.00	\$0.00	\$33,680.00	
354.000 · STRUCT/IMPROVE- LIFT STATIONS	SEW	\$22,002.00	\$0.00	\$22,002.00	
360.000 · COLLECTION SEWER- FORCE	SEW	\$164,230.00	\$0.00	\$164,230.00	
361.000 · COLLECTION SEWER- GRAVITY	SEW	\$328,394.00	\$0.00	\$328,394.00	
363.000 · -SERVICES	SEW	\$170,960.00	\$0.00	\$170,960.00	
371.000 · PUMPING EQUIPMENT-S	SEW	\$50,256.00	\$4,224.32	\$54,480.32	
380.000 · TREATMENT/DISPOSAL EQUIP-S	SEW	\$704,033.00	\$21,878.48	\$725,911.48	
382.000 · OUTFALL SEWER LINES	SEW	\$144,908.00	\$0.00	\$144,908.00	
389.000 · OTHER PLANT & MISC EQUIP-S	SEW	\$6,382.86	\$97.22	\$6,480.08	
390.000 · OFFICE FURN & EQUIP-S	SEW	\$0.00	\$0.00	\$0.00	
391.000 · TRANSPORTATION EQUIP-S	SEW	\$30,929.86	\$27,368.76	\$58,298.62	
394.000 · Lab Equipment-NP	SEW	\$565.00	\$0.00	\$565.00	
398.000 · OTHER TANGIBLE PLANT-S	SEW	\$3,449.00	\$0.00	\$3,449.00	
TOTAL	SEW	\$6,375.15	\$53,688.14	\$60,063.29	
					SEW Net Rate Base: Less Accts
					\$60,063.29
					\$1,546.00 186.006
					\$61,609.29
108.010 · A/D ORGANIZATION	WAT	(\$323.86)	(\$9.93)	(\$333.79)	
108.040 · A/D STRUCT & IMPROVEMENTS	WAT	(\$18,945.45)	(\$148.76)	(\$19,094.21)	
108.070 · A/D WELLS & SPRINGS	WAT	(\$116,507.00)	\$0.00	(\$116,507.00)	
108.090 · A/D SUPPLY MAINS	WAT	(\$917.04)	(\$64.38)	(\$981.42)	
108.110 · A/D PUMPING EQUIP	WAT	(\$16,382.55)	(\$2,747.90)	(\$19,130.45)	
108.210 · A/D WATER TREATMENT EQUIP	WAT	(\$338,352.00)	\$12,946.78	(\$325,405.22)	
108.300 · A/D DISTRIB RESERVOIRS	WAT	(\$606,098.51)	(\$16,887.10)	(\$622,985.61)	
108.310 · A/D TRANS/DIST MAINS	WAT	(\$83,583.02)	(\$3,617.46)	(\$87,200.48)	
108.330 · A/D SERVICES	WAT	(\$24,633.36)	(\$996.63)	(\$25,629.99)	
108.340 · A/D METERS	WAT	(\$19,648.92)	(\$2,785.93)	(\$22,434.85)	
108.360 · A/D BACKFLOW PREVENTION DEVISE:	WAT	(\$1,323.00)	(\$294.00)	(\$1,617.00)	
108.390 · A/D MISC PLANT EQUIP	WAT	(\$800.27)	(\$280.13)	(\$1,080.40)	
108.410 · A/D TRANSPORTATION EQUIP	WAT	(\$31,351.57)	(\$10,820.88)	(\$42,172.45)	
108.430 · A/D Tools Shop Garage Equip	WAT	(\$148.06)	(\$60.03)	(\$208.09)	

Aquarina Utilities, Inc.
General Ledger Balance Sheet
12-Month Period Ended 06/30/2019

Account/Description	System	06/30/18	Activity	06/30/19	
108.440 · A/D Lab Equipment	WAT	(\$333.80)	(\$133.40)	(\$467.20)	
108.480 · A/D Other Tangible Plant- NP	WAT	(\$1,261.00)	\$0.00	(\$1,261.00)	
186.001 · Deferred Rate Case Expense	WAT	\$3,092.21	\$0.00	\$3,092.21	
271.100 · CIAC-CAPACITY CHARGES (WATER)	WAT	(\$352,078.08)	(\$4,575.00)	(\$356,653.08)	
272.100 · CIAC-ACCUMULATED AMORT- WATEF	WAT	\$184,128.71	\$8,824.89	\$192,953.60	
301.000 · ORGANIZATION	WAT	\$396.67	\$0.00	\$396.67	
303.000 · LAND & LAND RIGHTS	WAT	\$37,582.00	\$0.00	\$37,582.00	
304.000 · STRUCTURES & IMPROVEMENTS	WAT	\$18,945.45	\$33,778.10	\$52,723.55	
307.000 · WELLS & SPRINGS	WAT	\$116,507.00	\$0.00	\$116,507.00	
309.000 · SUPPLY MAINS	WAT	\$2,057.00	\$0.00	\$2,057.00	
311.000 · PUMPING EQUIPMENT	WAT	\$54,957.93	\$0.00	\$54,957.93	
320.000 · WATER TREATMENT EQUIPMENT	WAT	\$338,352.00	\$27,880.11	\$366,232.11	
330.000 · DISTRIBUTION RESERVOIRS	WAT	\$625,448.00	\$0.00	\$625,448.00	
331.000 · TRANSMISSION/DISTRIBUTION MAIN	WAT	\$155,799.37	\$0.00	\$155,799.37	
333.000 · SERVICES	WAT	\$39,865.00	\$0.00	\$39,865.00	
334.000 · METER & METER INSTALLATIONS	WAT	\$57,858.32	\$300.00	\$58,158.32	
335.000 · HYDRANTS	WAT	\$0.00	\$0.00	\$0.00	
336.000 · BACKFLOW PREVENTION DEVICES	WAT	\$4,407.83	\$0.00	\$4,407.83	
339.000 · MISC PLANT EQUIP	WAT	\$7,003.37	\$0.00	\$7,003.37	
341.000 · TRANSPORTATION EQUIPMENT	WAT	\$51,227.87	\$27,368.76	\$78,596.63	
343.000 · Tools, Shop, Garage Equip	WAT	\$900.00	\$0.00	\$900.00	
344.000 · Laboratory Equipment	WAT	\$2,000.00	\$0.00	\$2,000.00	
348.000 · Other Tangible Plant- P	WAT	\$1,261.00	\$0.00	\$1,261.00	
	WAT	\$89,102.24	\$67,677.11	\$156,779.35	
					WAT Net Rate Base: Less Accts
					\$156,779.35
					(\$3,092.21) 186.001
					\$153,687.14
TOTAL	ALL	(\$0.00)	\$0.00	(\$0.00)	

ATTACHMENT 6

Schedule of Water Net Operating Income
Company: Aquarina Utilities, Inc.
Docket No.: 20190080-WS
12-Month Period Ended: 06/30/2019
Water [X] Wastewater [] Irrigation []

Florida Public Service Commission
Schedule: B-2
Page 1 of 1
Preparer: J. Small

Explanation: Provide a schedule of Net Operating Income for the test year.

Line No.	(A) Description	(B) Balance Per Books	(C) Adjustments	(D) Adjusted Balance	(E) Requested Adjustment	(G) Requested Revenues	(H) Supporting Schedule
1	Operating Revenues	\$197,034	\$0	\$197,034	\$0	\$197,034	TY NOI
2							
3	Operation & Maintenance Expense	\$160,205	\$0	\$160,205	\$0	\$160,205	TY NOI
4							
5	Depreciation Expense	\$30,515	\$0	\$30,515	\$0	\$30,515	TY NOI
6	(Net of CIAC Amortization)						
7							
8	Taxes Other Than Income	\$12,558	\$8,867 A	\$21,425	\$0	\$21,425	TY NOI
9							
10	Operating Expenses	\$203,278	\$8,867	\$212,145	\$0	\$212,145	
11							
12	Net Operating Income	(\$6,244)	(\$8,867)	(\$15,111)	\$0	(\$15,111)	
13							
14	Rate Base	\$153,687	\$20,026 B	\$173,713	\$0	\$173,713	TY BS
15							
16	Rate of Return	-4.06%		-8.70%		-8.70%	
17							
18	Authorized Rate of Return	3.66%	C	3.66%		3.66%	
19							
20							

- A TOTI adjustment includes RAF that are not included in booked expense. (4.5% of Adjusted Revenue)
- B Rate Base adjustment is working capital calculation on per book rate base. (1/8 of adjusted O&M Expense)
- C Per Order No. PSC-16-0583-PAA-WS, issued December 29, 2016.

Schedule of Irrigation Net Operating Income
Company: Aquarina Utilities, Inc.
Docket No.: 20190080-WS
12-Month Period Ended: 06/30/2019
Water [] Wastewater [] Irrigation [X]

Florida Public Service Commission
Schedule: B-2
Page 1 of 1
Preparer: J. Small

Explanation: Provide a schedule of Net Operating Income for the test year.

Line No.	(A) Description	(B) Balance Per Books	(C) Adjustments		(D) Adjusted Balance	(E) Requested Adjustment	(G) Requested Revenues	(H) Supporting Schedule
1	Operating Revenues	\$309,586	(\$103,936)	A	\$205,650	\$0	\$205,650	E2
2								
3	Operation & Maintenance Expense	\$144,248	(\$9,031)	B	\$135,217	\$0	\$135,217	
4								
5	Depreciation Expense	\$10,942	\$0		\$10,942	\$0	\$10,942	
6	(Net of CIAC Amortization)							
7								
8	Taxes Other Than Income	\$12,558	\$9,254	C	\$21,812	\$0	\$21,812	
9								
10	Operating Expenses	\$167,748	\$223		\$167,971	\$0	\$167,971	
11								
12	Net Operating Income	\$141,838	(\$104,159)		\$37,679	\$0	\$37,679	
13								
14	Rate Base	\$203,532	\$16,902	D	\$220,434	\$0.00	\$220,434	
15								
16	Rate of Return	69.69%			17.09%		17.09%	
17								
18	Authorized Rate of Return	3.66%		E	3.66%		3.66%	
19								
20								

A Revenue adjustment removes revenues received for the 6" meter associated with golf course irrigation. (See Irrigation Schedule E-2)

B O&M adjustment reduces purchased power for reduction of irrigation gallons pumped. ((65.9k gallons / 157.1k gallons = 41.79%) x \$21,529 irrigation purchased power)

C TOTI adjustment includes RAF that are not included in booked expense. (4.5% of Adjusted Revenue)

D Rate Base adjustment is working capital calculation on per book rate base. (1/8 of adjusted O&M Expense)

E Per Order No. PSC-16-0583-PAA-WS, issued December 29, 2016.

Schedule of Wastewater Net Operating Income

Company: Aquarina Utilities, Inc.

Docket No.: 20190080-WS

12-Month Period Ended: 06/30/2019

Water [] Wastewater [X] Irrigation []

Florida Public Service Commission

Schedule: B-2

Page 1 of 1

Preparer: J. Small

Explanation: Provide a schedule of Net Operating Income for the test year.

Line No.	(A) Description	(B) Balance Per Books	(C) Adjustments	(D) Adjusted Balance	(E) Requested Adjustment	(G) Requested Revenues	(H) Supporting Schedule
1	Operating Revenues	\$187,851	\$0	\$187,851	\$0	\$187,851	E2
2							
3	Operation & Maintenance Expense	\$158,359	\$0	\$158,359	\$0	\$158,359	
4							
5	Depreciation Expense	\$8,466	\$0	\$8,466	\$0	\$8,466	
6	(Net of CIAC Amortization)						
7							
8	Taxes Other Than Income	\$12,558	\$8,453 A	\$21,011	\$0	\$21,011	
9							
10	Operating Expenses	\$179,383	\$8,453	\$187,836	\$0	\$187,836	
11							
12	Net Operating Income	\$8,468	(\$8,453)	\$15	\$0	\$15	
13							
14	Rate Base	\$61,609	\$19,795 B	\$81,404	\$0.00	\$81,404	
15							
16	Rate of Return	13.74%		0.02%		0.02%	
17							
18	Operating Margin	6.60%		6.60%		6.60%	
19							
20							

A TOTI adjustment includes RAF that are not included in booked expense. (4.5% of Adjusted Revenue)

B Rate Base adjustment is working capital calculation on per book rate base. (1/8 of adjusted O&M Expense)

C Per Order No. PSC-16-0583-PAA-WS, issued December 29, 2016.