

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: September 23, 2013
TO: Ann Cole, Commission Clerk, Office of Commission Clerk
FROM: Amber Norris, Public Utility Analyst I, Division of Accounting and Finance
RE: Docket No. 130025-WU - Application for increase in water rates in Highlands County by Placid Lakes Utilities, Inc.

The attached documents were received via email on September 19, 2013. Please incorporate these documents into the docket file.

RECEIVED-FPSC
13 SEP 23 AM 11:32
COMMISSION
CLERK

Amber Norris

From: Bart Fletcher
Sent: Thursday, September 19, 2013 1:00 PM
To: Amber Norris
Cc: Andrew Maurey
Subject: FW: PLU Rate Case
Attachments: PSC Deferred Tax Items.pdf

From: Martin Friedman [<mailto:MFriedman@sfflaw.com>]
Sent: Thursday, September 19, 2013 12:55 PM
To: Bart Fletcher
Subject: FW: PLU Rate Case

Bart,
Below, with attached document, is Larry King's response to your question regarding deferred taxes. I hope that is what you are looking for, and if not, please don't hesitate to give me a call.
Regards, Marty

MARTIN S. FRIEDMAN

SUNDSTROM,
FRIEDMAN & FUMERO, LLP
Attorneys | Counselors



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From: Larry King [<mailto:larrypaulking@gmail.com>]
Sent: Thursday, September 19, 2013 11:57 AM
To: Martin Friedman
Cc: Pam Brewer
Subject: Re: PLU Rate Case

Marty; Attached are the PLU tax accumulated depreciation workpapers and the PSC (as audited by PSC) accumulated depreciation and CIAC workpapers. These are the only two deferred tax items. The tax accumulated depreciation workpapers have to be adjusted by the Sewer Plant and the Mule, neither of which are

PSC regulated assets. I think my response to Data Request #3, OPC Item 4, explains the calculation formula. There are no deferred tax workpapers, since we have never calculated the amount. Larry

Federal Basis

Placid Lakes Utilities, Inc.
Lead Schedule by G/L Asset Account
For the 12 Months Ended 12/31/12

02/10/13
06:35PM

Asset Description	Date Acquired	Cost	Sold?	Tax System	Method	Life	Con-vention	Bus %	Sec. 179 Deduction	Spec. Depr. Allowance	Depreciable Basis	Prior Depreciation	Current Depreciation	Accumulated Depreciation
121 Nonutility Property														
WASTEWATER PLANT	07/01/88	55,553.36	N	Other	ST LINE	25/00	H/M	100.00	0.00	0.00	55,553.36	52,217.62	2,222.13	54,439.75
Subtotal for 121		55,553.36							0.00	0.00	55,553.36	52,217.62	2,222.13	54,439.75
303.3 Land & Land Rights														
LAND	07/01/88	1,000.00	N	Other	LAND	00/00	None	100.00	0.00	0.00	1,000.00	0.00	0.00	0.00
Subtotal for 303.3		1,000.00							0.00	0.00	1,000.00	0.00	0.00	0.00
304.3 Structure & Improvements														
FENCE	04/30/97	3,407.00	N	Other	ST LINE	40/00	H/Y	100.00	0.00	0.00	3,407.00	1,235.11	85.18	1,320.29
PAN ROOF ADD-ON	04/30/97	575.00	N	Other	ST LINE	40/00	H/Y	100.00	0.00	0.00	575.00	208.51	14.38	222.89
IRRIGATION	04/30/97	2,053.00	N	Other	ST LINE	40/00	H/Y	100.00	0.00	0.00	2,053.00	744.28	51.33	795.61
RR TIES - DRIVE	04/30/97	347.00	N	Other	ST LINE	40/00	H/Y	100.00	0.00	0.00	347.00	125.86	8.68	134.54
SHELVING	04/30/98	402.00	N	Other	ST LINE	40/00	H/Y	100.00	0.00	0.00	402.00	135.68	10.05	145.73
NEW ROOF GENERATOR ROOM	05/24/04	9,640.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	9,640.00	2,892.00	385.60	3,277.60
STRUCTURES & IMPROVEMENT	07/01/88	35,902.53	N	Other	ST LINE	40/00	H/Y	100.00	0.00	0.00	35,902.53	21,092.66	897.56	21,990.22
STRUCTURES & IMPROVEMENT	07/01/91	18,308.00	N	Other	ST LINE	40/00	H/Y	100.00	0.00	0.00	18,308.00	9,382.85	457.70	9,840.55
Subtotal for 304.3		70,634.53							0.00	0.00	70,634.53	35,816.95	1,910.48	37,727.43
305.2 Collection & Impound Reservoirs														
COLLECTION & IMPOUNDS	07/01/88	32,429.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	32,429.00	30,483.26	1,297.16	31,780.42
Subtotal for 305.2		32,429.00							0.00	0.00	32,429.00	30,483.26	1,297.16	31,780.42
307.2 Wells & Springs														
WELL #3	04/30/97	43,443.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	43,443.00	25,196.94	1,737.72	26,934.66
WELL #3 REPAIR	07/16/98	18,250.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	18,250.00	9,855.00	730.00	10,585.00
FLOW METER	07/18/03	13,436.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	13,436.00	13,436.00	0.00	13,436.00
MAG & MX CONVERTORS	09/17/04	2,219.74	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	2,219.74	665.92	88.79	754.71
FLOW METER	07/28/06	218.85	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	218.85	48.13	8.75	56.88
FLOW METER	05/03/07	643.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	643.00	115.74	25.72	141.46
WELL #1	07/01/88	25,487.21	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	25,487.21	23,958.01	1,019.49	24,977.50
WELL #2	01/01/95	10,288.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	10,288.00	6,790.08	411.52	7,201.60
Subtotal for 307.2		113,985.80							0.00	0.00	113,985.80	80,065.82	4,021.99	84,087.81
309.2 Supply Mains														
TRANSMISSION LINE WELL #3	04/30/97	48,851.06	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	48,851.06	28,333.59	1,954.04	30,287.63
Subtotal for 309.2		48,851.06							0.00	0.00	48,851.06	28,333.59	1,954.04	30,287.63
310.2 Power Generation Equip.														

Federal Basis

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For the 12 Months Ended 12/31/12

02/10/13

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Asset Description	Date Acquired	Cost	Sold?	Tax System	Method	Life	Con-vention	Bus %	Sec. 179 Deduction	Spec. Depr. Allowance	Depreciable Basis	Prior Depreciation	Current Depreciation	Accumulated Depreciation
310.2 Power Generation Equip.														
GENERATOR	03/01/04	64,185.00	N	Other	ST LINE	20/00	H/Y	100.00	0.00	0.00	64,185.00	24,069.38	3,209.25	27,278.63
EMERGENCY BACKUP	08/02/05	6,708.86	N	Other	ST LINE	20/00	H/M	100.00	0.00	0.00	6,708.86	2,152.41	335.44	2,487.85
Subtotal for 310.2		70,893.86							0.00	0.00	70,893.86	26,221.79	3,544.69	29,766.48
311.2 Pumping Equipment														
PUMPING EQUIPMENT	04/30/97	105,551.58	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	105,551.58	105,551.58	0.00	105,551.58
PUMP REPAIRS	09/14/00	20,637.43	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	20,637.43	20,637.43	0.00	20,637.43
Subtotal for 311.2		126,189.01							0.00	0.00	126,189.01	126,189.01	0.00	126,189.01
320.3 Water Treatment Equip.														
PUMPS	07/02/96	1,488.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	1,488.00	1,488.00	0.00	1,488.00
CHLORINATION TUBES	01/30/97	590.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	590.00	590.00	0.00	590.00
SLEEVE & BATTERY FOR PUMF	09/30/97	225.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	225.00	225.00	0.00	225.00
CHEMICAL FEED PUMP	07/23/03	914.61	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	914.61	914.61	0.00	914.61
WATER TREATMENT EQUIP	07/01/88	9,264.51	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	9,264.51	9,264.51	0.00	9,264.51
WATER TREATMENT EQUIP	07/01/90	1,110.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	1,110.00	1,110.00	0.00	1,110.00
WATER TREATMENT EQUIP	04/01/94	6,992.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	6,992.00	6,992.00	0.00	6,992.00
WATER TREATMENT EQUIP	01/01/95	91.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	91.00	91.00	0.00	91.00
CHLORINE SCALE	06/13/12	2,185.60	N	MACRS	ST LINE	07/00	H/Y	100.00	0.00	0.00	2,185.60	0.00	156.11	156.11
Subtotal for 320.3		22,860.72							0.00	0.00	22,860.72	20,675.12	156.11	20,831.23
330.4 Dist. Reservoirs & Standpipe														
TANK 150,000 GALLON	04/30/97	173,376.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	173,376.00	100,558.08	6,935.04	107,493.12
HYDRO TANK #3	05/13/97	30,288.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	30,288.00	17,567.04	1,211.52	18,778.56
REDO OLD TANK	05/13/97	22,309.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	22,309.00	12,939.22	892.36	13,831.58
TANK VALVES	02/04/09	1,691.05	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	1,691.05	169.10	67.64	236.74
DISTRIBUTION RESERVOIRS	04/01/94	25,176.09	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	25,176.09	17,623.20	1,007.04	18,630.24
STORAGE TANK ROAD	04/30/97	8,155.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	8,155.00	4,729.90	326.20	5,056.10
Subtotal for 330.4		260,995.14							0.00	0.00	260,995.14	153,586.54	10,439.80	164,026.34
331.4 Transmission & Distrib Mains														
WATER LINES	07/01/96	37,071.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	37,071.00	22,984.02	1,482.84	24,466.86
WATER LINES	07/01/97	118,378.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	118,378.00	68,659.24	4,735.12	73,394.36
CATFISH CREEK EXTENSION	12/30/97	42,021.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	42,021.00	24,372.18	1,680.84	26,053.02
CATFISH CREEK EXTENSION	02/28/98	37,632.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	37,632.00	20,321.28	1,505.28	21,826.56
WATER LINES	07/01/98	26,987.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	26,987.00	14,572.98	1,079.48	15,652.46

Federal Basis

Placid Lakes Utilities, Inc.
Lead Schedule by G/L Asset Account
For the 12 Months Ended 12/31/12

02/10/13

06:35PM

Asset Description	Date	Cost	Sold?	Tax	Method	Life	Con-vention	Bus %	Sec. 179 Deduction	Spec. Depr. Allowance	Depreciable	Prior	Current	Accumulated
	Acquired			System							Basis	Depreciation	Depreciation	Depreciation
331.4 Transmission & Distrib. Mains.														
WATER LINES	07/01/99	29,464.91	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	29,464.91	14,732.47	1,178.60	15,911.07
WATER LINES	07/01/00	27,430.65	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	27,430.65	12,618.11	1,097.23	13,715.34
WATER LINES	07/01/01	3,886.71	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	3,886.71	1,632.43	155.47	1,787.90
WATER LINES	07/01/02	11,318.37	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	11,318.37	4,300.98	452.73	4,753.71
WATER LINES	07/01/03	84,835.66	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	84,835.66	28,844.15	3,393.42	32,237.57
WATER LINES	07/01/04	68,787.81	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	68,787.81	20,636.33	2,751.51	23,387.84
WATER LINES	07/01/05	55,099.42	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	55,099.42	14,325.87	2,203.98	16,529.85
WATER LINES	07/01/06	72,113.84	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	72,113.84	15,865.03	2,884.55	18,749.58
WATER LINES	07/01/07	44,989.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	44,989.00	8,098.02	1,799.56	9,897.58
WATER LINES	07/01/08	28,865.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	28,865.00	4,041.10	1,154.60	5,195.70
WATER LINES	07/01/09	53,987.98	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	53,987.98	5,398.80	2,159.52	7,558.32
WATER LINES	07/01/10	17,769.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	17,769.00	1,066.14	710.76	1,776.90
WATER LINES	07/01/95	14,551.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	14,551.00	9,603.66	582.04	10,185.70
WATER LINES	07/01/88	467,759.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	467,759.00	437,341.08	18,710.36	456,051.44
WATER LINES	07/01/89	50,578.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	50,578.00	45,520.20	2,023.12	47,543.32
WATER LINES	07/01/90	17,332.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	17,332.00	14,905.52	693.28	15,598.80
WATER LINES	07/01/92	8,867.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	8,867.00	6,916.26	354.68	7,270.94
WATER LINES	07/01/93	15,310.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	15,310.00	11,329.40	612.40	11,941.80
WATER LINES - 2011	07/01/11	9,725.24	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	9,725.24	194.50	389.01	583.51
Subtotal for 331.4		1,344,759.59							0.00	0.00	1,344,759.59	808,279.75	53,790.38	862,070.13
333.4 Services														
SERVICES	07/01/96	3,055.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	3,055.00	1,894.10	122.20	2,016.30
SERVICES	07/01/97	967.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	967.00	560.86	38.68	599.54
SERVICES	07/01/98	950.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	950.00	513.00	38.00	551.00
SERVICES	07/01/99	8,908.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	8,908.00	4,454.00	356.32	4,810.32
SERVICES	07/01/00	9,746.30	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	9,746.30	4,483.28	389.85	4,873.13
SERVICES	07/01/01	5,308.68	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	5,308.68	2,229.67	212.35	2,442.02
SERVICES	07/01/02	8,037.63	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	8,037.63	3,054.30	321.51	3,375.81
SERVICES	07/01/03	8,512.35	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	8,512.35	2,894.18	340.50	3,234.68
SERVICES	07/01/04	13,560.48	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	13,560.48	4,068.15	542.42	4,610.57
SERVICES	07/01/05	50,443.78	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	50,443.78	13,115.38	2,017.75	15,133.13
SERVICES	07/01/06	55,962.18	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	55,962.18	12,311.69	2,238.49	14,550.18

Federal Basis

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Asset Description	Date Acquired	Cost	Sold?	Tax System	Method	Life	Con-vention	Bus %	Sec. 179 Deduction	Spec. Depr. Allowance	Depreciable Basis	Prior Depreciation	Current Depreciation	Accumulated Depreciation
333.4 Services														
SERVICES	07/01/07	16,416.10	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	16,416.10	2,954.88	656.64	3,611.52
SERVICES	07/01/08	5,899.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	5,899.00	825.86	235.96	1,061.82
SERVICES	07/01/09	9,241.70	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	9,241.70	924.17	369.67	1,293.84
SERVICES	07/01/10	7,076.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	7,076.00	424.56	283.04	707.60
SERVICES	01/01/95	2,307.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	2,307.00	1,522.62	92.28	1,614.90
SERVICES	04/01/94	750.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	750.00	525.00	30.00	555.00
SERVICES	07/01/93	855.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	855.00	632.70	34.20	666.90
SERVICES	07/01/90	560.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	560.00	481.60	22.40	504.00
SERVICES	07/01/88	33,008.03	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	33,008.03	31,027.52	1,320.32	32,347.84
SERVICES - 2011	07/01/11	861.97	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	861.97	17.24	34.48	51.72
SERVICES - 2012	07/01/12	1,012.69	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	1,012.69	0.00	20.25	20.25
Subtotal for 333.4		243,438.89							0.00	0.00	243,438.89	88,914.76	9,717.31	98,632.07
334.4 Meters & Meter Installations														
METERS	07/01/96	9,219.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	9,219.00	5,715.78	368.76	6,084.54
METERS	07/01/97	16,657.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	16,657.00	9,661.06	666.28	10,327.34
METERS	07/01/98	17,906.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	17,906.00	9,669.24	716.24	10,385.48
METERS	07/01/99	15,276.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	15,276.00	7,638.00	611.04	8,249.04
METERS	07/01/00	7,708.37	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	7,708.37	3,545.85	308.33	3,854.18
METERS	07/01/01	22,054.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	22,054.00	9,262.68	882.16	10,144.84
METERS	07/01/02	11,997.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	11,997.00	4,558.86	479.88	5,038.74
METERS	07/01/03	31,560.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	31,560.00	10,730.40	1,262.40	11,992.80
METERS	07/01/04	41,061.12	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	41,061.12	12,318.33	1,642.45	13,960.78
METERS	07/01/05	41,387.09	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	41,387.09	10,760.62	1,655.48	12,416.10
METERS	07/01/06	26,587.04	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	26,587.04	5,849.14	1,063.48	6,912.62
METERS	07/01/07	12,913.40	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	12,913.40	2,324.43	516.54	2,840.97
METERS	07/01/08	2,506.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	2,506.00	350.84	100.24	451.08
METERS	07/01/09	2,622.94	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	2,622.94	262.30	104.92	367.22
METERS	07/01/10	1,213.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	1,213.00	72.78	48.52	121.30
METERS	07/01/88	21,825.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	21,825.00	20,515.50	873.00	21,388.50
METERS	07/01/89	3,566.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	3,566.00	3,209.40	142.64	3,352.04
METERS	07/01/90	5,269.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	5,269.00	4,531.34	210.76	4,742.10
METERS	07/01/91	10,141.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	10,141.00	8,315.62	405.64	8,721.26

Federal Basis

Placid Lakes Utilities, Inc.
Lead Schedule by G/L Asset Account
For the 12 Months Ended 12/31/12

02/10/13

06:35PM

Asset Description	Date Acquired	Cost	Sold?	Tax System	Method	Life	Convention	Bus %	Sec. 179 Deduction	Spec. Depr. Allowance	Depreciable Basis	Prior Depreciation	Current Depreciation	Accumulated Depreciation
334.4 - Meters & Meter Installations														
METERS	07/01/92	2,306.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	2,306.00	1,798.68	92.24	1,890.92
METERS	07/01/93	2,942.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	2,942.00	2,177.08	117.68	2,294.76
METERS	07/01/94	3,787.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	3,787.00	2,650.90	151.48	2,802.38
METERS	07/01/95	11,258.00	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	11,258.00	7,430.28	450.32	7,880.60
METERS - 2011	07/01/11	6,549.78	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	6,549.78	131.00	261.99	392.99
METERS - 2012	07/01/12	8,178.08	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	8,178.08	0.00	163.56	163.56
Subtotal for 334.4		336,489.82							0.00	0.00	336,489.82	143,480.11	13,296.03	156,776.14
335.4 Hydrants														
HYDRANTS	07/01/96	2,055.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	2,055.00	1,274.10	82.20	1,356.30
HYDRANTS	07/01/97	12,287.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	12,287.00	7,126.46	491.48	7,617.94
HYDRANTS	01/31/98	5,169.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	5,169.00	2,791.26	206.76	2,998.02
HYDRANTS	07/01/98	1,350.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	1,350.00	729.00	54.00	783.00
HYDRANTS	07/01/99	1,175.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	1,175.00	587.50	47.00	634.50
HYDRANTS	06/01/03	3,354.73	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	3,354.73	1,140.61	134.19	1,274.80
HYDRANTS	07/01/08	1,418.00	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	1,418.00	198.52	56.72	255.24
HYDRANTS	07/01/88	6,948.68	N	Other	ST LINE	25/00	H/Y	100.00	0.00	0.00	6,948.68	6,531.82	277.95	6,809.77
Subtotal for 335.4		33,757.41							0.00	0.00	33,757.41	20,379.27	1,350.30	21,729.57
339.2 Other Plant & Misc Equip														
INTERCONNECT TOWN OF LP	07/01/04	1,671.37	N	MACRS	SL WATER	25/00	H/Y	100.00	0.00	0.00	1,671.37	501.41	66.85	568.26
METER TESTER	09/01/06	1,026.71	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	1,026.71	1,026.71	0.00	1,026.71
FLOW METER	09/09/11	1,241.47	N	MACRS	ST LINE	07/00	H/Y	100.00	0.00	0.00	1,241.47	88.68	177.35	266.03
Subtotal for 339.2		3,939.55							0.00	0.00	3,939.55	1,616.80	244.20	1,861.00
340.5 Office Furniture & Equipment														
COMPUTER & SOFTWARE	07/01/97	11,713.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	11,713.00	11,713.00	0.00	11,713.00
COMPUTER & SOFTWARE	07/01/98	2,786.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	2,786.00	2,786.00	0.00	2,786.00
COPIER	07/01/97	3,526.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	3,526.00	3,526.00	0.00	3,526.00
SHOP DESK	07/01/97	158.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	158.00	158.00	0.00	158.00
COPIER	06/25/04	2,782.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	2,782.00	2,782.00	0.00	2,782.00
DELL COMPUTER	07/26/05	4,049.90	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	4,049.90	4,049.90	0.00	4,049.90
COMPUTER - LOU	02/21/07	747.94	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	747.94	704.86	43.08	747.94
TYPEWRITER	07/01/10	134.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	134.00	69.68	25.73	95.41
OFFICE FURNITURE	07/01/97	4,309.92	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	4,309.92	4,309.92	0.00	4,309.92

Federal Basis

Placid Lakes Utilities, Inc.
Lead Schedule by G/L Asset Account
For the 12 Months Ended 12/31/12

02/10/13

06:35PM

Asset Description	Date Acquired	Cost	Sold?	Tax System	Method	Life	Con-vention	Bus %	Sec 179 Deduction	Spec Depr. Allowance	Depreciable Basis	Prior Depreciation	Current Depreciation	Accumulated Depreciation
340.5 Office Furniture & Equipment														
Subtotal for 340.5		30,206.76							0.00	0.00	30,206.76	30,099.36	68.84	30,168.17
341.5 Transportation Equipment														
MUD PUMP TRAILER	07/01/91	3,686.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	3,686.00	3,686.00	0.00	3,686.00
FORD F-150 2003	09/24/03	13,967.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	13,967.00	13,967.00	0.00	13,967.00
GOLF CART	10/31/05	6,266.24	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	6,266.24	6,266.24	0.00	6,266.24
FORD F-150 2008	09/16/08	15,880.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	15,880.00	13,135.94	1,829.37	14,965.31
DUMP TRAILER	08/31/96	900.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	900.00	900.00	0.00	900.00
MULE	06/12/12	10,988.41	N	MACRS	ST LINE	06/00	H/Y	100.00	0.00	0.00	10,988.41	0.00	915.70	915.70
Subtotal for 341.5		51,687.65							0.00	0.00	51,687.65	37,955.18	2,745.07	40,700.25
343.5 Tools, Shop & Garage Equip.														
TOOLS & SHOP EQUIPMENT	07/01/88	589.39	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	589.39	589.39	0.00	589.39
TOOLS & SHOP EQUIPMENT	07/01/92	653.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	653.00	653.00	0.00	653.00
TOOLS & SHOP EQUIPMENT	07/01/93	360.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	360.00	360.00	0.00	360.00
TOOLS & SHOP EQUIPMENT	04/01/94	675.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	675.00	675.00	0.00	675.00
TOOLS & SHOP EQUIPMENT	01/01/95	312.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	312.00	312.00	0.00	312.00
WEED EATER	05/06/96	321.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	321.00	321.00	0.00	321.00
TOOLS	08/26/97	303.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	303.00	303.00	0.00	303.00
TOOLS	06/07/00	70.62	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	70.62	70.62	0.00	70.62
PAINT SPRAYER	02/15/96	2,046.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	2,046.00	2,046.00	0.00	2,046.00
Subtotal for 343.5		5,330.01							0.00	0.00	5,330.01	5,330.01	0.00	5,330.01
346.5 Communication Equipment														
CELL PHONES	07/01/02	2,020.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	2,020.00	2,020.00	0.00	2,020.00
CELL PHONES	08/11/03	527.09	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	527.09	527.09	0.00	527.09
CELL PHONES	07/11/04	611.76	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	611.76	611.76	0.00	611.76
CELL PHONES	01/14/05	142.23	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	142.23	142.23	0.00	142.23
METER READERS	10/16/06	9,036.56	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	9,036.56	9,036.56	0.00	9,036.56
CELL PHONES	01/10/09	141.23	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	141.23	100.56	16.27	116.83
CELLPHONE - NATHAN	10/10/12	307.59	N	MACRS	ST LINE	05/00	H/Y	100.00	0.00	0.00	307.59	0.00	30.76	30.76
Subtotal for 346.5		12,786.46							0.00	0.00	12,786.46	12,438.20	47.03	12,485.23
347.5 Miscellaneous Equipment														
MISCELLANEOUS EQUIPMENT	07/01/88	5,594.98	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	5,594.98	5,594.98	0.00	5,594.98
MISCELLANEOUS EQUIPMENT	07/01/89	603.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	603.00	603.00	0.00	603.00

Federal Basis

Placid Lakes Utilities, Inc.
Lead Schedule by G/L Asset Account
For the 12 Months Ended 12/31/12

02/10/13

06:35PM

Asset Description	Date Acquired	Cost	Sold?	Tax System	Method	Life	Convention	Bus %	Sec. 179 Deduction	Spec. Depr. Allowance	Depreciable Basis	Prior Depreciation	Current Depreciation	Accumulated Depreciation
<i>-347.5-Miscellaneous Equipment</i>														
MISCELLANEOUS EQUIPMENT	07/01/93	387.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	387.00	387.00	0.00	387.00
MISCELLANEOUS EQUIPMENT	01/01/95	318.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	318.00	318.00	0.00	318.00
MAGNETIC SIGNS	01/31/97	377.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	377.00	377.00	0.00	377.00
SURGE PROTECTORS	09/28/98	1,455.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	1,455.00	1,455.00	0.00	1,455.00
MISCELLANEOUS EQUIPMENT	05/01/98	420.00	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	420.00	420.00	0.00	420.00
CHLORINE SCALES	02/05/99	696.94	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	696.94	696.94	0.00	696.94
METER READING SYSTEM	04/06/00	10,963.58	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	10,963.58	10,963.58	0.00	10,963.58
BACKHOE	12/31/10	20,000.00	N	MACRS	200% DB	05/00	H/Y	100.00	0.00	0.00	20,000.00	10,400.00	3,840.00	14,240.00
CAMERA	08/17/00	448.98	N	MACRS	200% DB	07/00	H/Y	100.00	0.00	0.00	448.98	448.98	0.00	448.98
Subtotal for 347.5		41,264.48							0.00	0.00	41,264.48	31,664.48	3,840.00	35,504.48
Client Subtotal Before Sales		2,907,053.10							0.00	0.00	2,907,053.10	1,733,747.62	110,645.53	1,844,393.15
Less Assets Sold		0.00							0.00	0.00	0.00	0.00	0.00	0.00
Total at end of year		2,907,053.10							0.00	0.00	2,907,053.10	1,733,747.62	110,645.53	1,844,393.15

Agrees

110,645

PSC = 100,522

M-1 10,123

Placid Lakes Utilities, Inc.
Calculation of PSC Net Depreciation
December 31, 2012

ACCT. #	Account Name	Service Life	New Depn Percent	Water Utility Plant Accounts			Current Yr. Cost	Average Cost
				Prior Year Cost	Additions	Retirements		
101	Utility Plant in Service:							
303.3	Land & Land Rights			1,000			1,000	1,000
304.3	Structures and Improvements	32	3.1250%	70,635			70,635	70,635
305.2	Collecting and Impounding Reservoirs	50	2.0000%	32,429			32,429	32,429
307.2	Wells and Springs	30	3.3333%	113,986			113,986	113,986
309.2	Supply Mains	35	2.8571%	48,851			48,851	48,851
310.2	Power Generation Equipment	20	5.0000%	70,894			70,894	70,894
311.2	Pumping Equipment	20	5.0000%	126,189			126,189	126,189
320.3	Water Treatment Equipment	22	4.5455%	20,675	2,186		22,861	21,768
330.4	Distribution Reservoirs and Standpipes	37	2.7027%	259,304			259,304	259,304
331.4	Transmission and Distribution Mains	45 &	2.2222%	1,318,980			1,318,980	1,318,980
333.4	Services	40	2.5000%	242,233	1013		243,246	242,740
334.4	Meters and Meter Installations	20 &	5.0000%	326,018	8178	-5376	328,820	327,419
335.4	Hydrants	45	2.2222%	33,757			33,757	33,757
339.2	Other Plant Miscellaneous Equipment	18	5.5556%	3,008			3,008	3,008
340.5	Office Furniture and Equipment	15	6.6667%	30,207			30,207	30,207
341.5	Transportation Equipment	6	16.6667%	40,152	0		40,152	40,152
343.5	Tools, Shop and Garage Equipment	16	6.2500%	5,330			5,330	5,330
346.5	Communication Equipment	2 &	50.0000%	12,478	308		12,786	12,632
347.5	Miscellaneous Equipment	15	6.6667%	41,264			41,264	41,264
	Total Utility Plant in Service		3.4700%	2,797,390	11,685	-5,376	2,803,699	2,800,545
271	Contributions in Aid of Construction:							
271.1	Current Receipts	43 &	2.3256%	800,876			800,876	800,876
271.2	CIAC - Meter Installation	20 &	5.0000%	239,063	283		239,346	239,205
271.3	CIAC - Line Extensions	43	2.3256%	285,760	9353		295,113	290,437
271.4	CIAC - Catfish Creek Extension	43	2.3256%	54,738			54,738	54,738
271.5	CIAC - Plant Expansion	32	3.1250%	219,499	315		219,814	219,657
271.6	CIAC - Services	40	2.5000%	95,081	460		95,541	95,311
	Total Contributions in Aid of Construction			1,695,017	10,411	0	1,705,428	1,700,223
	Net Utility Assets & Depreciation			1,102,373	1,274	-5,376	1,098,271	1,100,322
103	Property Held for Future Use			0	0	0	0	0

& Per 2012 PSC Audit

Placid Lakes Utilities, Inc.
Calculation of PSC Net Depreciation
December 31, 2012

ACCT. #	Water Accumulated Depreciation			Current Yr. Balance	Monthly Accruals	Pre-AJE General Ledger Balance	Required AJE
	Prior Year Balance	Accruals	Removals				
	0	0		0	0	0	0
108.1	55,010	2,207		57,218	184	57,216	2
108.2	25,922	649		26,571	54	26,573	-2
108.3	68,293	3,800		72,092	317	70,195	1,897
108.4	20,241	1,396		21,637	116	21,638	-1
108.5	24,768	3,545		28,313	295	28,316	-3
108.6	81,377	6,309		87,686	526	87,684	2
108.7	22,400	989		23,390	82	23,390	0
108.8	100,617	7,008		107,625	584	107,785	-160
108.9	608,848	29,770 *	1,143 *	639,760	2,481	642,766	-3,006
108.10	66,364	6,068		72,432	506	72,417	15
108.11	209,786	16,371	-5,376	220,781	1,364	247,891	-27,110
108.12	13,560	750		14,310	63	14,309	1
108.18	87	167		254	14	332	-78
108.13	19,959	2,014		21,973	168	21,973	0
108.14	39,791	6,692		46,483	558	45,059	1,424
108.15	5,975	333		6,308	28	6,307	1
108.16	27,906	6,316		34,222	526	8,857	25,365
108.17	27,229	2,751		29,980	229	29,981	-1
	<u>1,418,132</u>	<u>97,135</u>	<u>-4,233 #</u>	<u>1,511,034</u>	<u>8,095</u>	<u>1,512,689</u>	<u>-1,655</u>
272.1	630,567	18,625		649,192	1,552	649,191	1
272.2	113,766	11,960		125,726	997	145,446	-19,720
272.3	57,649	6,754		64,404	563	64,310	94
272.4	20,126	1,273		21,399	106	21,398	1
272.5	58,939	6,864		65,803	572	65,791	12
272.6	12,241 &	2,383		14,624	199	14,606	18
	<u>893,288</u>	<u>47,860</u>	<u>0</u>	<u>941,148</u>	<u>3,988</u>	<u>960,742</u>	<u>-19,594</u>
	<u><u>524,844</u></u>	<u><u>49,276</u></u>	<u><u>-4,233</u></u>	<u><u>569,886</u></u>	<u><u>4,106</u></u>	<u><u>551,947</u></u>	<u><u>17,939</u></u>

* Per PSC Audit Finding 3 Depreciation should be \$97,135; difference plugged to T&D Mains

Per email from Auditor: Accumulated depreciation should be \$1,511,034; difference plugged to T&D Mains.