



February 8, 2018

VIA E-FILING

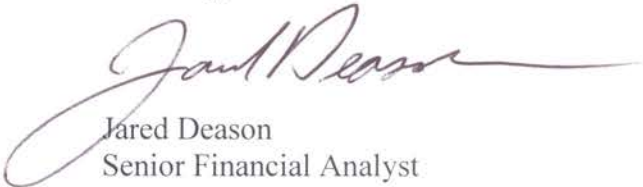
Carlotta S. Stauffer, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 20170223-SU; Application for establishment of wastewater AFPI charges in Highlands, Lake, Marion, Pasco and Pinellas Counties by Utilities, Inc. of Florida

Dear Ms. Stauffer:

Enclosed are revised schedules calculating the appropriate AFPI at the current income tax rate. These schedules should replace the ones filed earlier today. Should you or staff have any questions regarding this filing, please do not hesitate to give me a call at (850) 643-7326 or contact me via e-mail at jdeason@uiwater.com.

Sincerely,



Jared Deason
Senior Financial Analyst

Enclosures

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
		-----			-----
Cost/ERC:	\$	1,325.39	Annual Depr. Cost per ERC:	\$	<u>91.49</u>
Multiply By Rate of Return:		7.09%			

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					-----
per ERC Times Rate of Return)			Annual Prop. Tax per ERC:	\$	<u>1.18</u>
Federal Tax Rate:		21.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:		4.35%	Divided by Rate of Return:		7.09%
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Total Tax Rate:		<u>25.35%</u>	% of Equity in Return:		<u>61.48%</u>
Effective Tax on Return:		<u>15.58%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)			Future ERC's:		1,471

Provision For Tax:		<u>20.87%</u>	Cost per ERC:	\$	<u>0.00</u>
(Tax on Return/(1-Total Tax Rate))					

UTILITIES INC. OF FLORIDA - LUSI
DOCKET NO.

SCHEDULE 1-C

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

	2016	2017	2018	2019	2020
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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
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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:	1.21	1.21	1.21	1.21	1.21
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Revenue Required to Fund Earnings:	\$ 113.61	\$ 235.38	\$ 365.87	\$ 505.73	\$ 655.59
Revenue Required to Fund Expenses:	92.68	185.35	278.03	370.70	463.38
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Subtotal:	\$ 206.29	\$ 420.73	\$ 643.90	\$ 876.43	\$ 1,118.97
Divided by Factor for Regulatory Assessment Fee	0.955	0.955	0.955	0.955	0.955
	-----	-----	-----	-----	-----
ERC Carrying Cost for 1 Year:	<u>\$ 216.01</u>	<u>\$ 440.55</u>	<u>\$ 674.24</u>	<u>\$ 917.73</u>	<u>\$ 1,171.70</u>

**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		21.00%	
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	

**UTILITIES INC. OF FLORIDA - LUSI
DOCKET NO.**

SCHEDULE 1-D

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

	2016	2017	2018	2019	2020	2021
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January	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
February	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
March	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
April	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
May	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
June	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
July	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
August	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
September	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
October	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
November	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70
December	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70	1,171.70

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

Cost of Qualifying Ass \$	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 ER \$	<u>44.78</u>	Annual Property Tax Expense:	\$	2,180
Annual Reduction in R \$	<u>2.19</u>	Future ERC's:		458
(Annual Depreciation Expense				-----
per ERC Times Rate of Return)		Annual Prop. Tax per ERC:	\$	<u>4.76</u>
Federal Tax Rate:	21.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:	4.35%	Divided by Rate of Return:		7.09%
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Total Tax Rate:	<u>25.35%</u>	% of Equity in Return:		<u>61.48%</u>
Effective Tax on Return:	<u>15.58%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)		Future ERC's:		458

Provision For Tax:	<u>20.87%</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:	30.94	30.94	30.94	30.94	30.94
Unfunded Property Tax:	4.76	4.76	4.76	4.76	4.76
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Subtotal Unfunded An	\$ 35.70	\$ 35.70	\$ 35.70	\$ 35.70	\$ 35.70
Unfunded Expenses Prior Year:	0.00	35.70	71.40	107.10	142.80
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Total Unfunded Exper	\$ <u>35.70</u>	\$ <u>71.40</u>	\$ <u>107.10</u>	\$ <u>142.80</u>	\$ <u>178.49</u>
Return on Expenses Current Yea	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 Y	0.00	3.18	6.60	10.29	14.27
	-----	-----	-----	-----	-----
Total Compounded Ee	\$ 44.78	\$ 93.07	145.12	201.20	261.61
Earnings Expansion Factor for Te	1.21	1.21	1.21	1.21	1.21
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Revenue Required to	\$ 54.13	\$ 112.50	\$ 175.41	\$ 243.20	\$ 316.21
Revenue Required to Fund Exper	35.70	71.40	107.10	142.80	178.49
	-----	-----	-----	-----	-----
Subtotal:	\$ 89.83	\$ 183.90	\$ 282.51	\$ 386.00	\$ 494.70
Divided by Factor for Regulatory	0.955	0.955	0.955	0.955	0.955
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ERC Carrying Cost f	\$ <u>94.06</u>	\$ <u>192.57</u>	\$ <u>295.82</u>	\$ <u>404.19</u>	\$ <u>518.01</u>

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	128325.6 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	21.00%
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

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

	2016	2017	2018	2019	2020	2021
	----	----	----	----	----	----
January	7.84	102.27	201.17	304.85	413.68	518.01
February	15.68	110.48	209.78	313.88	423.16	518.01
March	23.51	118.69	218.38	322.91	432.65	518.01
April	31.35	126.90	226.98	331.94	442.13	518.01
May	39.19	135.10	235.59	340.98	451.62	518.01
June	47.03	143.31	244.19	350.01	461.10	518.01
July	54.87	151.52	252.80	359.04	470.59	518.01
August	62.71	159.73	261.40	368.07	480.07	518.01
September	70.54	167.94	270.01	377.10	489.56	518.01
October	78.38	176.15	278.61	386.13	499.04	518.01
November	86.22	184.36	287.22	395.16	508.53	518.01
December	94.06	192.57	295.82	404.19	518.01	518.01

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

Cost of Qualifying Ass \$	89,807	Annual Depreciation Expense:	\$	7,418
Divided By Future ERC:	226	Future ERC's:		226
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Cost/ERC:	\$ 397.95	Annual Depr. Cost per ERC:	\$	<u>32.87</u>
Multiply By Rate of Return:	7.09%			

Annual Return Per ER \$	<u>28.22</u>	Annual Property Tax Expense:	\$	816
Annual Reduction in R \$	<u>2.33</u>	Future ERC's:		226
(Annual Depreciation Expense per ERC Times Rate of Return)		Annual Prop. Tax per ERC:	\$	<u>3.62</u>
Federal Tax Rate:	21.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:	4.35%	Divided by Rate of Return:		7.09%
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Total Tax Rate:	<u>25.35%</u>	% of Equity in Return:		<u>61.48%</u>
Effective Tax on Return:	<u>15.58%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)		Future ERC's:		226

Provision For Tax:	<u>20.87%</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:	32.87	32.87	32.87	32.87	32.87
Unfunded Property Tax:	3.62	3.62	3.62	3.62	3.62
	-----	-----	-----	-----	-----
Subtotal Unfunded An	\$ 36.49	\$ 36.49	\$ 36.49	\$ 36.49	\$ 36.49
Unfunded Expenses Prior Year:	0.00	36.49	72.97	109.46	145.94
	-----	-----	-----	-----	-----
Total Unfunded Exper	\$ <u>36.49</u>	\$ <u>72.97</u>	\$ <u>109.46</u>	\$ <u>145.94</u>	\$ <u>182.43</u>
Return on Expenses Current Yea	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 Y	0.00	2.00	4.16	6.49	9.01
	-----	-----	-----	-----	-----
Total Compounded Ee	\$ 28.22	\$ 58.70	91.59	127.07	165.33
Earnings Expansion Factor for Te	1.21	1.21	1.21	1.21	1.21
	-----	-----	-----	-----	-----
Revenue Required to	\$ 34.11	\$ 70.95	\$ 110.71	\$ 153.60	\$ 199.84
Revenue Required to Fund Exper	36.49	72.97	109.46	145.94	182.43
	-----	-----	-----	-----	-----
Subtotal:	\$ 70.60	\$ 143.92	\$ 220.17	\$ 299.54	\$ 382.27
Divided by Factor for Regulatory	0.955	0.955	0.955	0.955	0.955
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ERC Carrying Cost f	\$ <u>73.93</u>	\$ <u>150.70</u>	\$ <u>230.54</u>	\$ <u>313.65</u>	\$ <u>400.28</u>

**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	21.00%
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 Cost Per ERC Per Month:

	2016	2017	2018	2019	2020	2021
	----	----	----	----	----	----
January	6.16	80.33	157.35	237.47	320.87	400.28
February	12.32	86.72	164.01	244.40	328.09	400.28
March	18.48	93.12	170.66	251.32	335.31	400.28
April	24.64	99.52	177.32	258.25	342.53	400.28
May	30.80	105.92	183.97	265.17	349.75	400.28
June	36.96	112.31	190.62	272.10	356.97	400.28
July	43.12	118.71	197.28	279.02	364.19	400.28
August	49.28	125.11	203.93	285.95	371.41	400.28
September	55.45	131.51	210.58	292.87	378.62	400.28
October	61.61	137.91	217.24	299.80	385.84	400.28
November	67.77	144.30	223.89	306.72	393.06	400.28
December	73.93	150.70	230.54	313.65	400.28	400.28

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

Cost of Qualifying Ass \$	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 ER \$	<u>23.62</u>	Annual Property Tax Expense:	\$	460
Annual Reduction in R \$	<u>2.07</u>	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:	21.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:	4.35%	Divided by Rate of Return:		7.09%
	-----			-----
Total Tax Rate:	<u>25.35%</u>	% of Equity in Return:		<u>61.48%</u>
Effective Tax on Return:	<u>15.58%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)		Future ERC's:		203

Provision For Tax:	<u>20.87%</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:	29.13	29.13	29.13	29.13	29.13
Unfunded Property Tax:	2.26	2.26	2.26	2.26	2.26
	-----	-----	-----	-----	-----
Subtotal Unfunded An	\$ 31.39	\$ 31.39	\$ 31.39	\$ 31.39	\$ 31.39
Unfunded Expenses Prior Year:	0.00	31.39	62.77	94.16	125.55
	-----	-----	-----	-----	-----
Total Unfunded Exper	\$ <u>31.39</u>	\$ <u>62.77</u>	\$ <u>94.16</u>	\$ <u>125.55</u>	\$ <u>156.93</u>
Return on Expenses Current Yea	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 Y	0.00	1.67	3.48	5.42	7.52
	-----	-----	-----	-----	-----
Total Compounded E	\$ 23.62	\$ 49.08	76.50	106.02	137.79
Earnings Expansion Factor for Te	1.21	1.21	1.21	1.21	1.21
	-----	-----	-----	-----	-----
Revenue Required to	\$ 28.55	\$ 59.32	\$ 92.47	\$ 128.16	\$ 166.55
Revenue Required to Fund Exper	31.39	62.77	94.16	125.55	156.93
	-----	-----	-----	-----	-----
Subtotal:	\$ 59.94	\$ 122.09	\$ 186.63	\$ 253.71	\$ 323.48
Divided by Factor for Regulatory	0.955	0.955	0.955	0.955	0.955
	-----	-----	-----	-----	-----
ERC Carrying Cost f	\$ <u>62.76</u>	\$ <u>127.84</u>	\$ <u>195.42</u>	\$ <u>265.66</u>	\$ <u>338.72</u>

**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		56970	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		21.00%	
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
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January	5.23	68.19	133.47	201.28	271.75	338.72
February	10.46	73.61	139.11	207.13	277.84	338.72
March	15.69	79.03	144.74	212.98	283.93	338.72
April	20.92	84.46	150.37	218.84	290.01	338.72
May	26.15	89.88	156.00	224.69	296.10	338.72
June	31.38	95.30	161.63	230.54	302.19	338.72
July	36.61	100.73	167.26	236.40	308.28	338.72
August	41.84	106.15	172.90	242.25	314.37	338.72
September	47.07	111.57	178.53	248.10	320.46	338.72
October	52.30	117.00	184.16	253.95	326.55	338.72
November	57.53	122.42	189.79	259.81	332.63	338.72
December	62.76	127.84	195.42	265.66	338.72	338.72

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

Cost of Qualifying Ass \$	16,641	Annual Depreciation Expense:	\$	2,011
Divided By Future ERC:	67	Future ERC's:		67
	-----			-----
Cost/ERC:	\$ 248.90	Annual Depr. Cost per ERC:	\$	<u>30.08</u>
Multiply By Rate of Return:	7.09%			

Annual Return Per ER \$	<u>17.65</u>	Annual Property Tax Expense:	\$	140
Annual Reduction in R \$	<u>2.13</u>	Future ERC's:		67
(Annual Depreciation Expense		Annual Prop. Tax per ERC:	\$	<u>2.09</u>
per ERC Times Rate of Return)				
Federal Tax Rate:	21.00%	Weighted Cost of Equity:		4.36%
Effective State Tax Rate:	4.35%	Divided by Rate of Return:		7.09%
	-----			-----
Total Tax Rate:	<u>25.35%</u>	% of Equity in Return:		<u>61.48%</u>
Effective Tax on Return:	<u>15.58%</u>	Other Costs:	\$	0
(Equity % Times Tax Rate)		Future ERC's:		67

Provision For Tax:	<u>20.87%</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:	30.08	30.08	30.08	30.08	30.08
Unfunded Property Tax:	2.09	2.09	2.09	2.09	2.09
Subtotal Unfunded An	\$ 32.17	\$ 32.17	\$ 32.17	\$ 32.17	\$ 32.17
Unfunded Expenses Prior Year:	0.00	32.17	64.35	96.52	128.69
Total Unfunded Exper	\$ 32.17	\$ 64.35	\$ 96.52	\$ 128.69	\$ 160.87
Return on Expenses Current Yea	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 Y	0.00	1.25	2.60	4.06	5.63
Total Compounded Ea	\$ 17.65	\$ 36.70	57.24	79.39	103.27
Earnings Expansion Factor for Te	1.21	1.21	1.21	1.21	1.21
Revenue Required to	\$ 21.33	\$ 44.36	\$ 69.19	\$ 95.96	\$ 124.83
Revenue Required to Fund Exper	32.17	64.35	96.52	128.69	160.87
Subtotal:	\$ 53.50	\$ 108.71	\$ 165.71	\$ 224.65	\$ 285.70
Divided by Factor for Regulatory	0.955	0.955	0.955	0.955	0.955
ERC Carrying Cost f	\$ 56.03	\$ 113.83	\$ 173.52	\$ 235.24	\$ 299.16

**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		21.00%
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 Cost Per ERC Per Month:

	2016	2017	2018	2019	2020	2021
	-----	-----	-----	-----	-----	-----
January	4.67	60.84	118.81	178.66	240.57	299.16
February	9.34	65.66	123.78	183.81	245.89	299.16
March	14.01	70.48	128.75	188.95	251.22	299.16
April	18.68	75.29	133.73	194.09	256.55	299.16
May	23.34	80.11	138.70	199.24	261.87	299.16
June	28.01	84.93	143.68	204.38	267.20	299.16
July	32.68	89.75	148.65	209.52	272.53	299.16
August	37.35	94.56	153.62	214.67	277.85	299.16
September	42.02	99.38	158.60	219.81	283.18	299.16
October	46.69	104.20	163.57	224.95	288.51	299.16
November	51.36	109.02	168.54	230.10	293.84	299.16
December	56.03	113.83	173.52	235.24	299.16	299.16

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	\$ 7.84	\$ 102.27	\$ 201.17	\$ 304.85	\$ 413.68
February	\$ 15.68	\$ 110.48	\$ 209.78	\$ 313.88	\$ 423.16
March	\$ 23.51	\$ 118.69	\$ 218.38	\$ 322.91	\$ 432.65
April	\$ 31.35	\$ 126.90	\$ 226.98	\$ 331.94	\$ 442.13
May	\$ 39.19	\$ 135.10	\$ 235.59	\$ 340.98	\$ 451.62
June	\$ 47.03	\$ 143.31	\$ 244.19	\$ 350.01	\$ 461.10
July	\$ 54.87	\$ 151.52	\$ 252.80	\$ 359.04	\$ 470.59
August	\$ 62.71	\$ 159.73	\$ 261.40	\$ 368.07	\$ 480.07
September	\$ 70.54	\$ 167.94	\$ 270.01	\$ 377.10	\$ 489.56
October	\$ 78.38	\$ 176.15	\$ 278.61	\$ 386.13	\$ 499.04
November	\$ 86.22	\$ 184.36	\$ 287.22	\$ 395.16	\$ 508.53
December	\$ 94.06	\$ 192.57	\$ 295.82	\$ 404.19	\$ 518.01

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 \$518.01 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 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	\$ 6.16	\$ 80.33	\$ 157.35	\$ 237.47	\$ 320.87
February	\$ 12.32	\$ 86.72	\$ 164.01	\$ 244.40	\$ 328.09
March	\$ 18.48	\$ 93.12	\$ 170.66	\$ 251.32	\$ 335.31
April	\$ 24.64	\$ 99.52	\$ 177.32	\$ 258.25	\$ 342.53
May	\$ 30.80	\$ 105.92	\$ 183.97	\$ 265.17	\$ 349.75
June	\$ 36.96	\$ 112.31	\$ 190.62	\$ 272.10	\$ 356.97
July	\$ 43.12	\$ 118.71	\$ 197.28	\$ 279.02	\$ 364.19
August	\$ 49.28	\$ 125.11	\$ 203.93	\$ 285.95	\$ 371.41
September	\$ 55.45	\$ 131.51	\$ 210.58	\$ 292.87	\$ 378.62
October	\$ 61.61	\$ 137.91	\$ 217.24	\$ 299.80	\$ 385.84
November	\$ 67.77	\$ 144.30	\$ 223.89	\$ 306.72	\$ 393.06
December	\$ 73.93	\$ 150.70	\$ 230.54	\$ 313.65	\$ 400.28

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 \$400.28 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	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
February	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
March	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
April	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
May	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
June	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
July	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
August	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
September	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
October	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
November	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70
December	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70	\$ 1,171.70

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 \$1,171.70 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

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	\$ 5.23	\$ 68.19	\$ 133.47	\$ 201.28	\$ 271.75
February	\$ 10.46	\$ 73.61	\$ 139.11	\$ 207.13	\$ 277.84
March	\$ 15.69	\$ 79.03	\$ 144.74	\$ 212.98	\$ 283.93
April	\$ 20.92	\$ 84.46	\$ 150.37	\$ 218.84	\$ 290.01
May	\$ 26.15	\$ 89.88	\$156.00	\$ 224.69	\$ 296.10
June	\$ 31.38	\$ 95.30	\$ 161.63	\$ 230.54	\$ 302.19
July	\$ 36.61	\$ 100.73	\$ 167.26	\$ 236.40	\$ 308.28
August	\$ 41.84	\$ 106.15	\$ 172.90	\$ 242.25	\$ 314.37
September	\$ 47.07	\$ 111.57	\$ 178.53	\$ 248.10	\$ 320.46
October	\$ 52.30	\$ 117.00	\$ 184.16	\$ 253.95	\$ 326.55
November	\$ 57.53	\$ 122.42	\$ 189.79	\$ 259.81	\$ 332.63
December	\$ 62.76	\$ 127.84	\$ 195.42	\$ 265.66	\$ 338.72

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 \$338.72 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 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	\$ 4.67	\$ 60.84	\$ 118.81	\$ 178.66	\$ 240.57
February	\$ 9.34	\$ 65.66	\$ 123.78	\$ 183.81	\$ 245.89
March	\$ 14.01	\$ 70.48	\$ 128.75	\$ 188.95	\$ 251.22
April	\$ 18.68	\$ 75.29	\$ 133.73	\$ 194.09	\$ 256.55
May	\$ 23.34	\$ 80.11	\$ 138.70	\$ 199.24	\$ 261.87
June	\$ 28.01	\$ 84.93	\$ 143.68	\$ 204.38	\$ 267.20
July	\$ 32.68	\$ 89.75	\$ 148.65	\$ 209.52	\$ 272.53
August	\$ 37.35	\$ 94.56	\$ 153.62	\$ 214.67	\$ 277.85
September	\$ 42.02	\$ 99.38	\$ 158.60	\$ 219.81	\$ 283.18
October	\$ 46.69	\$ 104.20	\$ 163.57	\$ 224.95	\$ 288.51
November	\$ 51.36	\$ 109.02	\$ 168.54	\$ 230.10	\$ 293.84
December	\$ 56.03	\$ 113.83	\$ 173.52	\$ 235.24	\$ 299.16

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 \$299.16 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