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WATER AND SEWER  
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# CLASS "A" OR "B"

**WATER and/or WASTEWATER UTILITIES**  
(Gross Revenue of More Than \$200,000 Each)

# ANNUAL REPORT OF

SU114-03-AR  
Hudson Utilities, Inc.  
14334 Old Dixie Highway  
Hudson, FL 34667-1134

Submitted To The

STATE OF FLORIDA



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FLORIDA PUBLIC SERVICE  
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DIVISION OF  
ECONOMIC REGULATION

PUBLIC SERVICE COMMISSION

FOR THE

**YEAR ENDED DECEMBER 31, 2003**

***Cronin, Jackson, Nixon & Wilson***  
**CERTIFIED PUBLIC ACCOUNTANTS, P.A.**

JAMES L. CARLSTEDT, C.P.A.  
JOHN H. CRONIN, JR., C.P.A.  
ROBERT H. JACKSON, C.P.A.  
ROBERT C. NIXON, C.P.A.  
JEANETTE SUNG, C.P.A.  
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March 29, 2004

Officers and Directors  
Hudson Utilities, Inc.

We have compiled the 2003 Annual Report of Hudson Utilities, Inc. in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Florida Public Service Commission, information that is the representation of the management of Hudson Utilities, Inc.. We have not audited or reviewed the report referred to above and, accordingly, do not express an opinion or any form of assurance on it.

This report is presented in accordance with the requirements of the Florida Public Service Commission, which differ from generally accepted accounting principles. Accordingly, this report is not designed for those who are not informed about such differences.

*Cronin, Jackson, Nixon & Wilson*  
CRONIN, JACKSON, NIXON & WILSON

**Reconciliation of Revenue to  
Regulatory Assessment Fee Revenue  
Wastewater Operations  
Class A & B**

**Company: Hudson Utilities, Inc.**

**For the Year Ended December 31, 2003**

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues per Sch. F-3	Gross Wastewater Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate revenues (521.1 - 521.6)	-	-	\$ -
Total Measured Revenues (522.1 - 522.5)	\$ 1,366,712	\$ 1,366,712	-
Revenues from Public Authorities (523)	-	-	-
Revenues from Other Systems (524)	-	-	-
Interdepartmental Revenues (525)	-	-	-
Total Other Wastewater Revenues (530 - 536)	1,023	1,023	-
Reclaimed Water Sales (540.1 - 544)	-	-	-
<b>Total Wastewater Operating Revenue</b>	<b>\$ 1,367,735</b>	<b>\$ 1,367,735</b>	<b>\$ -</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Wastewater Operating Revenues</b>	<b>\$ 1,367,735</b>	<b>\$ 1,367,735</b>	<b>\$ -</b>

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule F-3 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

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**EXECUTIVE**

**SUMMARY**

CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: Hudson Utilities, Inc.

**YEAR OF REPORT**  
**December 31, 2003**

I HEREBY CERTIFY, to the best of my knowledge and belief:

YES            NO  
( X )        (    )    1.    The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES            NO  
( X )        (    )    2.    The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES            NO  
( X )        (    )    3.    There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.

YES            NO  
( X )        (    )    4.    The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

Items Certified

1.            2.            3.            4.  
(    )        (    )        (    )        (    )

\_\_\_\_\_  
(signature of the chief executive officer of the utility) \*

1.            2.            3.            4.  
( X )        ( X )        ( X )        ( X )

  
\_\_\_\_\_  
(signature of the chief financial officer of the utility) \*

\* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

**NOTICE:** Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT  
December 31, 2003

Hudson Utilities, Inc.  
(Exact Name of Utility)

County: Pasco

List below the exact mailing address of the utility for which normal correspondence should be sent:

14334 Old Dixie Hwy.  
Hudson, Florida 34667

Telephone: (727) 863-0205

e-Mail Address: N/A

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number 95-0445791

Name and address of person to whom correspondence concerning this report should be addressed:

Robert C. Nixon, CPA  
Cronin, Jackson, Nixon & Wilson, CPA's, PA  
2560 Gulf-to-Bay Blvd, Suite 200  
Clearwater, Florida 34625

Telephone: ( 727 ) 791-4020

List below the address of where the utility's books and records are located:

14334 Old Dixie Hwy.  
Hudson, Florida 34667

Telephone: (727) 863-0205

List below any groups auditing or reviewing the records and operations:

Cronin, Jackson, Nixon and Wilson, CPA's

Date of original organization of the utility: March 20, 1969

Check the appropriate business entity of the utility as filed with the Internal Revenue Service:

Individual  Partnership  Sub S Corporation  1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the utility:

Name		Percent Ownership	
1.	Robert Bammann	48.6	%
2.	Charles E. Griffin	48.6	%
3.	Mathew Griffin	2.8	%
4.			%
5.			%
6.			%
7.			%
8.			%
9.			%
10.			%



UTILITY NAME: Hudson Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**DIRECTORY OF PERSONNEL WHO CONTACT  
THE FLORIDA PUBLIC SERVICE COMMISSION**

<b>NAME OF COMPANY REPRESENTATIVE (1)</b>	<b>TITLE OR POSITION (2)</b>	<b>ORGANIZATIONAL UNIT TITLE (3)</b>	<b>USUAL PURPOSE FOR CONTACT WITH FPSC</b>
Robert Bammann	President	Hudson Utilities, Inc.	All company matters
Charles E. Griffin	Vice-President Engineer	Hudson Utilities, Inc. Charles E. Griffin, Inc.	Engineering matters
Mathew Griffin	V.P. / Secretary Treasurer	Hudson Utilities, Inc.	Operational & customer matters
Ken Hoffman	Attorney	Rutledge, Ecenia, et. Al.	Legal matters
Robert C. Nixon	CPA	Cronin, Jackson, Nixon & Wilson, CPA's, P.A.	Rate and accountin matters

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

UTILITY NAME: Hudson Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**COMPANY PROFILE**

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.**
- B. Public services rendered.**
- C. Major goals and objectives.**
- D. Major operating divisions and functions.**
- E. Current and projected growth patterns.**
- F. Major transactions having a material effect on operations.**

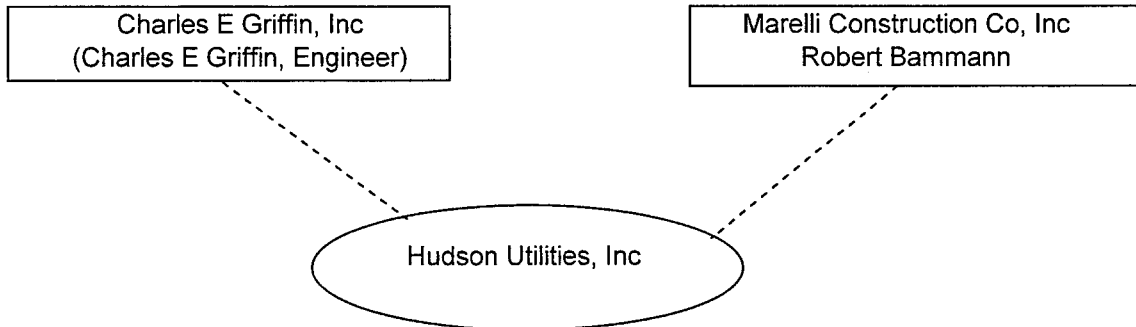
- (A) Hudson Utilities, Inc., a Florida corporation, was incorporated in 1975. The company is a Class B regulated public utility providing sewer transmission lines within a designated service area in Hudson, Florida. The Company was purchased in September 1987 by Robert Bamman. During 1998, the Company was granted a name change to Hudson Utilities, Inc.
- (B) Sewage collection only. Treatment is purchased from Pasco County.
- (C) To provide central sewage collection service throughout the utility's service area and a fair rate of return to the Company's stockholders.
- (D) Sewer collection service only.
- (E) The Company expects to add approximately 100 new connections annually and with additional financing to complete the expansion of the collection system within the certificated area.
- (F) The Company is currently constructing sewer lines for approximately 695 new connections.

UTILITY NAME: Hudson Utilities, Inc.

**PARENT / AFFILIATE ORGANIZATION CHART**  
Current as of 12/31/03

Complete below an organizational chart that shows all parents and subsidiaries of the utility. The chart must also show the relationship between the utility and the affiliates listed on E-7, E-10(a) and E-10(b).

Hudson Utilities, Inc. is neither a subsidiary nor a parent of another corporation.



Note: Charles E Griffin, Inc., and Marelli Construction Co., Inc. are related by partial common Stockholder ownership.

UTILITY NAME: Hudson Utilities, Inc.

**COMPENSATION OF OFFICERS**

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Robert Bammann	President	55 %	\$ 26,500
Charles E Griffin	Vice-President	45 %	\$ 22,525
Mathew Griffin	Vice-President Secretary/ Treasurer	100 %	\$ 37,180
			\$
			\$
			\$
			\$
			\$
			\$

**COMPENSATION OF DIRECTORS**

For each director, list the number of director meetings attended by each director and the compensation received as an director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
Robert Bammann	President	2	\$ None
Charles E Griffin	Vice-President	2	\$ None
Mathew Griffin	Vice-President Secretary/ Treasurer	2	\$ None
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Hudson Utilities, Inc.

**BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES**

List all contracts, agreements, and other business arrangements\* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on Page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

<b>NAME OF OFFICER, DIRECTOR OR AFFILIATE</b> (a)	<b>IDENTIFICATION OF SERVICE OR PRODUCT</b> (b)	<b>AMOUNT</b> (c)	<b>NAME AND ADDRESS OF AFFILIATED ENTITY</b> (d)
Robert Bammann	Bldg., Rents	\$ 9,472	N/A

\* Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: Hudson Utilities, Inc.

**AFFILIATION OF OFFICERS AND DIRECTORS**

For each of the officials listed on page E-6, list the principal occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

<b>NAME</b> (a)	<b>PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION</b> (b)	<b>AFFILIATION OR CONNECTION</b> (c)	<b>NAME AND ADDRESS OF AFFILIATION OR CONNECTION</b> (d)
Robert Bammann	Construction	Shareholder	Marelli Construction Hudson, Florida
Charles E. Griffin	Engineering	Shareholder	Charles E Griffin, Inc.

UTILITY NAME: Hudson Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT OF PROVIDING WATER OR SEWER SERVICE**

Complete the following for any business which is conducted as a byproduct, coproduct or joint product as a result of providing water and/or sewer service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenues and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCT. NO. (c)	REVENUES GENERATED (d)	ACCT. NO. (e)	EXPENSES INCURRED (f)	ACCT. NO. (g)
None	\$		\$		\$	

UTILITY NAME: Hudson Utilities, Inc.

<b>YEAR OF REPORT</b> December 31, 2003
--

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6 identifying the parties, amounts, dates and product, asset, or service involved.

**Part I. Specific Instructions: Services and Products Received or Provided**

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:
  - management, legal and accounting services
  - computer services
  - engineering & construction services
  - repairing and servicing of equipment
  - material and supplies furnished
  - leasing of structures, land and equipment
  - rental transactions
  - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
Robert Bammann	Repairs to Collection System	As Required	P	\$ 9,471



UTILITY NAME: Hudson Utilities, Inc.

**BUSINESS TRANSACTIONS WITH RELATED PARTIES**

**Part II. Specific Instructions: Sale, Purchase and Transfer of Assets**

1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.

2. Below are examples of some types of transactions to include:

- purchase, sale or transfer of equipment.
- purchase, sale or transfer of land and structures.
- purchase, sale or transfer of securities.
- noncash transfers of assets.
- noncash dividends other than stock dividends.
- writeoff of bad debts or loans.

3. The columnar instructions follow:

- (a) Enter name of related party or company.
- (b) Describe briefly the type of assets purchased, sold or transferred.
- (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
- (d) Enter the net book value for each item reported.
- (e) Enter the net profit or loss for each item (column (c) - column (d)).
- (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
Marelli Construction Co, Inc	Construction of collection system, currently in progress	\$ 409,018	\$ 409,018	\$	\$ 409,018
Charles E Griffin, Inc	Engineering related to construction of collection system, currently in progress	36,658	36,658		36,658

**FINANCIAL**

**SECTION**

UTILITY NAME: Hudson Utilities, Inc.

**YEAR OF REPORT**  
December 31, 2003

**COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>UTILITY PLANT</b>				
101-106	Utility Plant	F-7	\$ 7,217,228	\$ 6,746,524
108-110	Less: Accumulated Depreciation and Amortization	F-8	(1,963,632)	(1,722,364)
Net Plant			5,253,596	5,024,160
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		18,368
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			5,253,596	5,042,528
<b>OTHER PROPERTY AND INVESTMENTS</b>				
121	Nonutility Property	F-9	\$ 257	\$ 256
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property			257	256
123	Investment in Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10	15,458	20,421
Total Other Property and Investments			15,458	20,421
<b>CURRENT AND ACCRUED ASSETS</b>				
131	Cash		25,789	30,315
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts	F-11	116,531	145,771
145	Accounts Receivable from Associated Companies	F-12	17,300	18,600
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies			
161	Stores Expense			
162	Prepayments			
171	Accrued Interest and Dividends Receivable			
172*	Rents Receivable			
173*	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12		
Total Current and Accrued Assets			159,620	194,686

\* Not Applicable for Class B Utilities

UTILITY NAME: Hudson Utilities, Inc.

<b>YEAR OF REPORT</b> <b>December 31, 2003</b>
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**COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	<b>DEFERRED DEBITS</b>			
181	Unamortized Debt Discount & Expense	F-13	\$ 90,156	
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14	16,962	11,793
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			335,673
	Total Deferred Debits		107,118	347,466
	<b>TOTAL ASSETS AND OTHER DEBITS</b>		\$ 5,536,049	\$ 5,605,357

\* Not Applicable for Class B Utilities

**NOTES TO THE BALANCE SHEET**

The space below is provided for important notes regarding the balance sheet.

**COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued	F-15	\$ 200	\$ 181
204	Preferred Stock Issued	F-15		
202,205*	Capital Stock Subscribed			
203,206*	Capital Stock Liability for Conversion			
207*	Premium on Capital Stock			
209*	Reduction in Par or Stated Value of Capital Stock			
210*	Gain on Resale or Cancellation of Reacquired Capital Stock			
211	Other Paid-in Capital		604,029	604,029
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings (Deficit)	F-16	(2,276,364)	(2,371,317)
216	Reacquired Capital Stock		(2,419)	(2,400)
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital (Deficit)			(1,674,554)	(1,769,507)
<b>LONG TERM DEBT</b>				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
Total Long Term Debt				
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable		128,206	148,258
232	Notes Payable	F-18	4,962,464	4,487,733
233	Accounts Payable to Associated Co.	F-18	28,360	28,360
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		9,480	10,680
236	Accrued Taxes		138,343	161,444
237	Accrued Interest	F-19	29,059	34,211
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20		
Total Current and Accrued Liabilities			5,295,912	4,870,686

\* Not Applicable for Class B Utilities

**COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>DEFERRED CREDITS</b>				
251	Unamortized Premium on Debt	F-13		
252	Advances for Construction	F-20		
253	Other Deferred Credits	F-21		232,580
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits				232,580
<b>OPERATING RESERVES</b>				
261	Property Insurance Reserve			
262	Injuries and Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
Total Operating Reserves				
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
271	Contributions in Aid of Construction	F-22	2,724,725	2,693,756
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(810,034)	(706,980)
Total Net C.I.A.C.			1,914,691	1,986,776
<b>ACCUMULATED DEFERRED INCOME TAXES</b>				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation			284,822
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
Total Accum. Deferred Income Taxes				284,822
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>			<b>\$ 5,536,049</b>	<b>\$ 5,605,357</b>

**COMPARATIVE OPERATING STATEMENT**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
<b>UTILITY OPERATING INCOME</b>				
400	Operating Revenues	F-3(b)	\$ 1,333,837	\$ 1,367,735
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			1,333,837	1,367,735
401	Operating Expenses	F-3(b)	707,594	752,540
403	Depreciation Expense	F-3(b)	208,672	241,268
	Less: Amortization of CIAC	F-22	(69,072)	(89,676)
Net Depreciation Expense			139,600	151,592
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		
408	Taxes Other Than Income	W/S-3	173,740	177,697
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3	22,208	
410.11	Deferred State Income Taxes	W/S-3	3,919	
411.10	Provision for Deferred Income Taxes - Credit	W/S-3	(6,721)	
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			1,040,340	1,081,829
Net Utility Operating Income			293,497	285,906
469/530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (Losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			293,497	285,906

\* For each account, column e should agree with columns f, g + h on F-3(b)

**COMPARATIVE OPERATING STATEMENT (Cont'd)**

WATER SCHEDULE W-3* (f)	SEWER SCHEDULE S-3* (g)	OTHER THAN REPORTING SYSTEMS (h)
N/A	\$ 1,367,735	N/A
N/A		
-	1,367,735	-
	752,540	
	241,268	
-	(89,676)	
-	151,592	-
	177,697	
	1,081,829	
N/A	285,906	
	285,906	N/A

\* Total of Schedules W-3/S-3 for all rate groups



**COMPARATIVE OPERATING STATEMENT (Cont'd)**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR (e)
Total Utility Operating Income [from Page F-3(a)]			\$ 293,497	\$ 285,906
<b>OTHER INCOME AND DEDUCTIONS</b>				
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income			131
421	Miscellaneous Nonutility Revenue		94	67,499
426	Miscellaneous Nonutility Expenses		(51,594)	(32,020)
Total Other Income and Deductions			(51,500)	35,610
<b>TAXES APPLICABLE TO OTHER INCOME</b>				
408.20	Taxes Other Than Income			
409.20	Income Taxes			
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
Total Taxes Applicable to Other Income				
<b>INTEREST EXPENSE</b>				
427	Interest Expense	F-19	452,689	356,876
428	Amortization of Debt Discount & Expense	F-13	17,933	52,635
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			470,622	409,511
<b>EXTRAORDINARY ITEMS</b>				
433	Extraordinary Income			182,948
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				182,948
<b>NET INCOME</b>			(228,625)	94,953

Explain Extraordinary Income:

Write Off of Deferred Tax assets and liabilities based on no likelihood of any future realization due to going concern considerations and size of NOL carryforward.

**SCHEDULE OF YEAR END RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	N/A	\$ 6,764,008
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8		(1,963,632)
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22		(2,724,725)
252	Advances for Construction	F-20		
Subtotal				<u>2,075,651</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22		810,034
Subtotal				<u>2,885,685</u>
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)			94,068
	Other (Specify):			
	_____			
	_____			
	_____			
RATE BASE			\$ -	<u>\$ 2,979,753</u>
NET UTILITY OPERATING INCOME			\$ -	<u>\$ 285,906</u>
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			- - %	<u>9.59 %</u>

**NOTES:**

- (1) Estimated if not known.
  - (2) Include only those Acquisition Adjustments that have been approved by the Commission.
  - (3) Calculation consistent with last rate proceeding.
- In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Method.

**SCHEDULE OF CURRENT COST OF CAPITAL  
CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ -	_____ %	_____ - %	_____ %
Preferred Stock		_____ %	_____ - %	_____ %
Long Term Debt	4,962,464	99.81 %	6.68 %	6.6673 %
Customer Deposits	9,480	0.19 %	6.00 %	0.0114 %
Tax Credits - Zero Cost		_____ %	_____ - %	_____ %
Tax Credits - Weighted Cost		_____ %	_____ - %	_____ %
Deferred Income Taxes		_____ %	_____ - %	_____ %
Other (Explain)		_____ %	_____ - %	_____ %
		_____ %	_____ %	_____ %
Total	\$ 4,971,944	100.00 %		6.68 %

(1) If the Utility's capital structure is not used, explain which capital structure is used.

---



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(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates

**APPROVED RETURN ON EQUITY**

Current Commission Return on Equity:	<u>13.51</u> %
Commission order approving Return on Equity:	<u>Order No. 23810</u>

**APPROVED AFUDC RATE**

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING THE YEAR

Current Commission approved AFUDC rate:	<u>None</u> %
Commission order approving AFUDC rate:	_____

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS SPECIFIC (e)	OTHER (1) ADJUSTMENTS PRO RATA (f)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (g)
Common Equity	\$ (1,674,554)	\$ -	\$ -	\$ 1,674,554	\$ -	\$ -
Preferred Stock	-	-	-	-	-	-
Long Term Debt	4,962,464	-	-	-	-	4,962,464
Customer Deposits	9,480	-	-	-	-	9,480
Tax Credits - Zero Cost	-	-	-	-	-	-
Tax Credits - Weighted Cost	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-
Other (Explain):	-	-	-	-	-	-
Notes Payable - Assoc Co	-	-	-	-	-	-
Total	\$ 3,297,390	\$ -	\$ -	\$ 1,674,554	\$ -	\$ 4,971,944

(1) Explain below all adjustments made in Columns (e) and (f)

(2) Remove negative common equity

(3) Average cost of debt calculated as follows:

	Year End	Ratio	Cost	Weighted Cost
WRH Mortgage	\$ 600,000	12.09%	12.00%	1.45 %
Republic/United Banks	3,776,826	76.11%	6.00%	4.57
WRH Mortgage - Construction	541,788	10.92%	5.50%	0.60
World Omni Financial	12,157	0.24%	8.99%	0.02
Bank One	31,693	0.64%	6.90%	0.04
	\$ 4,962,464	100.00%		6.68

UTILITY NAME: Hudson Utilities, Inc.

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**UTILITY PLANT  
ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts Utility Plant In Service	N/A	\$ 6,764,008	N/A	\$ 6,764,008
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress		453,220		453,220
106	Completed Construction Not Classified				
Total Utility Plant		N/A	\$ 7,217,228	N/A	\$ 7,217,228

**UTILITY PLANT ACQUISITION ADJUSTMENTS  
ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	N/A		\$ -	\$ -
					-
					-
					-
					-
					-
					-
Total Plant Acquisition Adjustment		\$ -	\$ -	\$ -	\$ -
115	Accumulated Amortization			\$ -	\$ -
					-
					-
					-
					-
					-
					-
Total Accumulated Amortization		\$ -	\$ -	\$ -	\$ -
Total Acquisition Adjustments		\$ -	\$ -	\$ -	\$ -

**ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)**

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION Account 108				
Balance first of year	N/A	\$ 1,722,364	N/A	\$ 1,722,364
Credits during year:				
Accruals charged:				
to Account 108.1 (1)		241,268		241,268
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				
_____				
_____				
Salvage				
Other Credits (specify) :				
_____				
_____				
Total credits		241,268		241,268
Debits during year:				
Book cost of plant retired	-	-		
Cost of removal				
Other debits (specify)				
_____				
_____				
Total debits				
Balance end of year	N/A	\$ 1,963,632	N/A	\$ 1,963,632

ACCUMULATED AMORTIZATION Account 110				
Balance first of year N/A	N/A	N/A	N/A	N/A
Credits during year:				
Accruals charged:				
_____				
to Account 110.2 (2)				
Other Accounts (specify):				
_____				
_____				
Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				
_____				
_____				
Total debits				
Balance end of year	N/A	N/A	N/A	N/A

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

UTILITY NAME: Hudson Utilities, Inc.

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**REGULATORY COMMISSION EXPENSE  
AMORTIZATION OF RATE CASE EXPENSE (ACCTS. 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (c)	AMOUNT (d)
Service availability case		767	\$ 5,816
Total	\$ -		\$ 5,816

**NONUTILITY PROPERTY (ACCOUNT 121)**

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.

Other items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
Office Equipment - Misc.	\$ 256	\$ 1	\$ -	\$ 257
		-		
Total Nonutility Property	\$ 256	\$ 1	\$ -	\$ 257

**SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)**

Report hereunder all special deposits carried in Accounts 132 and 133

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): None	\$ -
Total Special Deposits	\$ -
OTHER SPECIAL DEPOSITS (Account 133): None	\$ -
Total Other Special Deposits	\$ -

UTILITY NAME: Hudson Utilities, Inc.

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**INVESTMENTS AND SPECIAL FUNDS  
ACCOUNTS 123-127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): N/A	\$ -	\$ -
<b>Total Investment In Associated Companies</b>		\$ -
UTILITY INVESTMENTS (Account 124): N/A	\$ -	\$ -
<b>Total Utility Investments</b>		\$ -
OTHER INVESTMENTS (Account 125): N/A	\$ -	\$ -
<b>Total Other Investments</b>		\$ -
SPECIAL FUNDS (Class A Utilities: Accounts 126 & 127; Class B Utilities: Account 127)) Debt service reserve		\$ 15,458
<b>Total Special Funds</b>		\$ 15,458



UTILITY NAME: Hudson Utilities, Inc.

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**ACCOUNTS AND NOTES RECEIVABLE - NET**  
**ACCOUNTS 141 - 144**

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Combined Water & Wastewater	\$ -	
Wastewater	118,520	
Other		
Total Customer Accounts Receivable		\$ 118,520
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
	\$ -	
Total Other Accounts Receivable		
NOTES RECEIVABLE (Acct. 144):		
Notes receivable from customers for CIAC	\$ 3,011	
Total Notes Receivable		\$ 3,011
Total Accounts and Notes Receivable		121,531
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):		
Balance First of Year	\$ 5,000	
Add: Provision for uncollectables for current year		
Collections of accounts previously written off		
Utility accounts		
Others		
Total Additions		
Deduct accounts written off during year:		
Utility accounts		
Others		
Total accounts written off		
Balance end of year		5,000
Total Accounts and Notes Receivable - Net		\$ 116,531

UTILITY NAME: Hudson Utilities, Inc.

**YEAR OF REPORT**  
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**ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES**  
**ACCOUNT 145**

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
Receivable from Shareholder - R. Bammann	\$ 17,300
Total	\$ 17,300

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES**  
**ACCOUNT 146**

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
None		\$ -
Total		\$ -

**MISCELLANEOUS CURRENT AND ACCRUED ASSETS**  
**ACCOUNT 174**

DESCRIPTION - Provide itemized listing (a)	TOTAL (c)
	\$ -
Total	\$ -

UTILITY NAME: Hudson Utilities, Inc.

<b>YEAR OF REPORT</b> <b>December 31, 2003</b>
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**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT**  
 Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):		
Notes Payable - WRH Mortgage, Republic Bank / BB & T	\$ 52,635	\$ 90,156
Total Unamortized Debt Discount and Expense	\$ 52,635	\$ 90,156
UNAMORTIZED PREMIUM ON DEBT (Account 251):		
N/A	\$ -	\$ -
Total Unamortized Premium on Debt	\$ -	\$ -

**EXTRAORDINARY PROPERTY LOSSES**  
**ACCOUNT 182**

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182):	
N/A	\$ -
Total Extraordinary Property Losses	\$ -

MISCELLANEOUS DEFERRED DEBITS  
ACCOUNT 186

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1): Service Availability Case Order No. PSC-02-1626-PAA-SU	\$ 5,816	\$ 16,962
<b>Total Deferred Rate Case Expense</b>	<b>\$ 5,816</b>	<b>\$ 16,962</b>
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): None	\$ -	\$ -
<b>Total Other Deferred Debits</b>	<b>NONE</b>	<b>NONE</b>
REGULATORY ASSETS (Class A Utilities: Account 186.3): None	\$ -	\$ -
<b>Total Regulatory Assets</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL MISCELLANEOUS DEFERRED DEBITS</b>	<b>\$ 5,816</b>	<b>\$ 16,962</b>

**UTILITY NAME:** Hudson Utilities, Inc.

**CAPITAL STOCK  
ACCOUNTS 201 AND 204\***

DESCRIPTION (a)	RATE (b)	TOTAL (d)
<b>COMMON STOCK</b>		
Par or stated value per share	\$ 1.00	\$ 1.00
Shares authorized		200
Shares issued and outstanding		200
Total par value of stock issued	\$ 200	200
Dividends declared per share for year	None	None
<b>PREFERRED STOCK</b>		
Par or stated value per share	\$ -	\$ -
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued	\$ -	\$ -
Dividends declared per share for year	None	None

\* Account 204 not applicable for Class B utilities

**BONDS  
ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
N/A	%		\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			\$ -

\* For variable rate obligations, provide the basis for the rate. (i.e.. Prime + 2%, etc)

UTILITY NAME: Hudson Utilities, Inc.

**STATEMENT OF RETAINED EARNINGS**

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance beginning of year (Deficit)	\$ (2,371,317)
439	Changes to account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	_____
	Total Credits	_____
	Debits: _____	_____
	Total Debits	_____
435	Balance transferred from Income	94,953
436	Appropriations of Retained Earnings: _____	_____
	Total appropriations of Retained Earnings	_____
437	Dividends declared: Preferred stock dividends declared _____	_____
438	Common stock dividends declared _____	_____
	Total Dividends Declared	-
	Year end Balance	(2,276,364)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	_____
	Total Retained Earnings (Deficit)	\$ (2,276,364)

Notes to Statement of Retained Earnings:

UTILITY NAME: Hudson Utilities, Inc.

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**ADVANCES FROM ASSOCIATED COMPANIES**  
**ACCOUNT 223**

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
N/A	\$ -
Total	\$ -

**OTHER LONG TERM DEBT**  
**ACCOUNT 224**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
None	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total			NONE

\* For variable rate obligations, provide the basis for the rate. (I.e., Prime + 2%, etc)

UTILITY NAME: Hudson Utilities, Inc.

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**NOTES PAYABLE (ACCTS. 232 AND 234)**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE* (c)	
<b>NOTES PAYABLE (Account 232):</b>			
WRH Mortgage, Inc. Renewed 8/11/03; matures 8/11/13	12.00 %	FIXED	\$ 600,000
Republic/BB & T - Issued 8/11/03; matures 8/11/13	6.00 %	FIXED	\$ 3,776,826
WRH Mortgage, Inc. Renewed 8/11/03; matures 8/11/13	5.50 %	VARIABLE*	\$ 541,788
World Omni Financial	8.99 %	FIXED	\$ 12,157
Bank One	6.90 %	FIXED	\$ 31,693
* Prime + 1.5%	%		
<b>Total Account 232</b>			<b>\$ 4,962,464</b>
<b>NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):</b>			
N/A	%		\$ -
	%		
	%		
	%		
	%		
	%		
<b>Total Account 234</b>			

\* For variable rate obligations, provide the basis for the rate. (i.e.. Prime +2%, etc)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES  
ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
Charles E Griffin, Inc - Utility engineering services (1997 feasibility study and Phase 1 of collection system design)	28,360
<b>Total</b>	<b>\$ 28,360</b>



**ACCRUED INTEREST AND EXPENSE  
ACCOUNTS 237 AND 427**

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
<b>ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt</b>					
WRH Mortgage, Inc.	\$ 6,975	427	\$ 80,216	\$ 78,720	\$ 8,471
Republic/BB & T	25,557	427	271,750	277,788	19,519
World Omni Financial		427	845	845	
Huntington Bank		427	7	7	
McMeans		427	1,669	1,669	
Bank One		427	2,389	2,389	
<b>Total Account No. 237.1</b>	<u>32,532</u>		<u>356,876</u>	<u>361,418</u>	<u>27,990</u>
<b>ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities</b>					
Customer Deposits	1,679	427		610	1,069
<b>Total Account 237.2</b>	<u>1,679</u>			<u>610</u>	<u>1,069</u>
<b>Total Account 237 (1)</b>	<u>\$ 34,211</u>		<u>\$ 356,876</u>	<u>\$ 362,028</u>	<u>\$ 29,059</u>
<b>INTEREST EXPENSED:</b>					
Total accrual Account 237		237	\$ 356,876		
Less Capitalized Interest Portion of AFUDC:					
None					
<b>Net Interest Expensed to Account No. 427 (2)</b>			<u>\$ 356,876</u>		

(1) Must Agree to F-2(a), Beginning and Ending Balance of Accrued Interest  
(2) Must agree to F-3(c), Current Year Interest Expense

UTILITY NAME: Hudson Utilities, Inc.

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**MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES  
ACCOUNT 241**

DESCRIPTION (a)	BALANCE END OF YEAR (b)
None	
Total Miscellaneous Current and Accrued Liabilities	\$ -

**ADVANCES FOR CONSTRUCTION  
ACCOUNT 252**

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	ACCT.		CREDITS (e)	BALANCE END OF YEAR (f)
		DEBIT (c)	AMOUNT (d)		
None			\$ -	\$ -	\$ -
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
Total	\$ -		\$ -	\$ -	\$ -

\* Report advances separately by reporting group, designating water or wastewater in column (a)

UTILITY NAME: Hudson Utilities, Inc.

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**OTHER DEFERRED CREDITS  
ACCOUNT 253**

DESCRIPTION - Provide Itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1)		
N/A		
<b>Total Regulatory Liabilities</b>	\$ -	\$ -
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2)		
N/A		
<b>Total Deferred Liabilities</b>	\$ -	\$ -
<b>TOTAL OTHER DEFERRED CREDITS</b>	\$ -	\$ -

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 271**

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	N/A	\$ 2,693,756	N/A	\$ 2,693,756
Add credits during year:		30,969		30,969
Less debits charged during				-
Total Contributions In Aid of Construction	\$ -	\$ 2,724,725	\$ -	\$ 2,724,725

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION  
ACCOUNT 272**

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance First of year	N/A	\$ 706,980	N/A	\$ 706,980
Debits during year:		89,676		89,676
Prior Period Adjustment		13,378		13,378
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction		\$ 810,034		\$ 810,034

UTILITY NAME: Hudson Utilities, Inc.

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES  
(UTILITY OPERATIONS)**

1. The reconciliation should include the same detail as furnished on schedule M-1 of the federal income tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.

2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among group members.

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year (loss)	F-3 (c)	\$ (94,953)
Reconciling items for the year:		
Taxable income not reported on the books:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deductions recorded on books not deducted for return:		-
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Income recorded on books not included in return:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Deduction on return not charged against book income:		
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Federal tax net income (loss)		\$ (94,953)
Computation of tax:		
The Company will have no tax liability for 2003; therefore, no provision for income taxes on operating income was made.		

# **WATER OPERATION SECTION**

Note: Hudson Utilities, Inc. is a sewer only utility; therefore, W-1 through W-14 have been omitted from this report.

**WASTEWATER  
OPERATING  
SECTION**





**SCHEDULE OF YEAR END WASTEWATER RATE BASE**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ 6,764,008
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	S-6(b)	(1,963,632)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	S-7	(2,724,725)
252	Advances for Construction	F-20	
	Subtotal		<u>2,075,651</u>
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	810,034
	Subtotal		<u>2,885,685</u>
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		94,068
	Other (Specify): Completed Construction not Classified		-
	WASTEWATER RATE BASE		<u>\$ 2,979,753</u>
	UTILITY OPERATING INCOME	S-3	<u>\$ 285,906</u>
	ACHIEVED RATE OF RETURN (Wastewater Operating Income/Wastewater Rate Base)		<u>9.59 %</u>

- NOTES: (1) Class A calculate consistent with last rate proceeding. Class B estimated if not known.  
 (2) Include only those Acquisition Adjustments that have been approved by the Commission.  
 (3) Calculation consistent with last rate proceeding.  
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	S-9	\$ 1,367,735
530	Less: Guaranteed Revenue and AFPI	S-9	
	Net Operating Revenues		1,367,735
401	Operating Expenses	S-10(a)	752,540
403	Depreciation Expense	S-6(a)	241,268
	Less: Amortization of CIAC	S-8(a)	(89,676)
	Net Depreciation Expense		151,592
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC) (Loss on plant abandonment)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		61,548
408.11	Property Taxes		103,094
408.12	Payroll Taxes		12,505
408.13	Other Taxes & Licenses		550
408	Total Taxes Other Than Income		177,697
409.1	Income Taxes	F-16	
410.10	Deferred Federal Income Taxes		
410.11	Deferred State Income Taxes		
411.10	Provision for Deferred Income Taxes - Credit		
412.10	Investment Tax Credits Deferred to Future Periods		
412.11	Investment Tax Credits Restored to Operating Income		
	Utility Operating Expenses		1,081,829
	Utility Operating Income		285,906
530	Add Back: Guaranteed Revenue (and AFPI)		
413	Income From Utility Plant Leased to Others		
414	Gains (Losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ 285,906

UTILITY NAME: Hudson Utilities, Inc.  
 SYSTEM NAME / COUNTY: Hudson Utilities / Pasco

YEAR OF REPORT  
 December 31, 2003

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$ 6,246	\$ 2 (1)	\$ -	\$ 6,248
352	Franchises				
353	Land and Land Rights	9,513			9,513
354	Structure and Improvements	2,195			2,195
355	Power Generation Equipment				
360	Collection Sewers - Force	937,958			937,958
361	Collection Sewers - Gravity	3,581,328			3,581,328
362	Special Collecting Structures				
363	Services to Customers	855,605	3,790		859,395
364	Flow Measuring Devices	141,354			141,354
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	535,705	1,791		537,496
371	Pumping Equipment	509,662	11,398		521,060
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	6,298			6,298
390	Office Furniture & Equipment	36,014	503		36,517
391	Transportation Equipment	111,003			111,003
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	10,829			10,829
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment	2,814			2,814
398	Other Tangible Plant				
	Total Wastewater Plant	\$ 6,746,524	\$ 17,484	\$ -	\$ 6,764,008

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

Note (1): Rounding

S-4(a)  
 GROUP 1

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization	\$ 6,248						
352	Franchises							
353	Land and Land Rights				\$ 9,513			
354	Structure and Improvements				2,195			
355	Power Generation Equipment							
360	Collection Sewers - Force		937,958					
361	Collection Sewers - Gravity		3,581,328					
362	Special Collecting Structures							
363	Services to Customers		859,395					
364	Flow Measuring Devices		141,354					
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells			537,496				
371	Pumping Equipment			521,060				
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment & Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant / Miscellaneous Equipment				6,298			36,517
390	Office Furniture & Equipment							111,003
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							10,829
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							2,814
398	Other Tangible Plant							
	Total Wastewater Plant	\$ 6,248	\$ 5,520,035	\$ 1,058,556	\$ 18,006	\$ -	\$ -	\$ 161,163

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
351	Organization	10	%	10.00 %
352	Franchises		%	%
354	Structure and Improvements	27	%	3.70 %
355	Power Generation Equipment		%	%
360	Collection Sewers - Force	30	%	3.33 %
361	Collection Sewers - Gravity	40	%	2.50 %
362	Special Collecting Structures		%	%
363	Services to Customers	38	%	2.63 %
364	Flow Measuring Devices	5	%	20.00 %
365	Flow Measuring Installations		%	%
366	Reuse Services		%	%
367	Reuse Meters and Meter Installations		%	%
370	Receiving Wells	25	%	4.00 %
371	Pumping Equipment	18	%	5.56 %
374	Reuse Distribution Reservoirs		%	%
375	Reuse Transmission and Distribution System		%	%
380	Treatment & Disposal Equipment		%	%
381	Plant Sewers		%	%
382	Outfall Sewer Lines		%	%
389	Other Plant / Miscellaneous Equipment	15	%	6.67 %
390	Office Furniture & Equipment	15	%	6.67 %
391	Transportation Equipment	6	%	16.67 %
392	Stores Equipment		%	%
393	Tools, Shop and Garage Equipment	15	%	6.67 %
394	Laboratory Equipment		%	%
395	Power Operated Equipment		%	%
396	Communication Equipment		%	%
397	Miscellaneous Equipment	15	%	6.67 %
398	Other Tangible Plant		%	%
Wastewater Plant Composite Depreciation Rate *			%	%

\* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

**ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION**

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e) (Note 1)	TOTAL CREDITS (d + e) (f)
351	Organization	\$ 6,246	\$ 157	\$ -	\$ 157
352	Franchises				
354	Structure and Improvements	1,232	69		69
355	Power Generation Equipment				
360	Collection Sewers - Force	413,217	31,234		31,234
361	Collection Sewers - Gravity	579,954	79,505		79,505
362	Special Collecting Structures				
363	Services to Customers	140,739	28,554		28,554
364	Flow Measuring Devices	98,701	28,271		28,271
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells	176,073	21,464		21,464
371	Pumping Equipment	203,394	28,653		28,653
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment & Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant / Miscellaneous Equipment	2,108	354	3,879	4,233
390	Office Furniture & Equipment	33,422	3,638		3,638
391	Transportation Equipment	53,510	18,504		18,504
392	Stores Equipment				
393	Tools, Shop and Garage Equipment	7,782	677		677
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment	5,986	188	(3,879)	(3,691)
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$ 1,722,364	\$ 241,268	\$ -	\$ 241,268

\* Specify nature of transaction.  
 Use ( ) to denote reversal entries.  
 'Note (1): Reclass to proper account.

UTILITY NAME Hudson Utilities, Inc.

SYSTEM NAME / COUNTY: Hudson Utilities / Pasco

YEAR OF REPORT  
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ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+f-k) (k)
351	Organization	\$ -	\$ -	\$ -	\$ -	6,403
352	Franchises					1,301
354	Structure and Improvements					
355	Power Generation Equipment					444,451
360	Collection Sewers - Force					659,459
361	Collection Sewers - Gravity					
362	Special Collecting Structures					169,293
363	Services to Customers					126,972
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					197,537
370	Receiving Wells					232,047
371	Pumping Equipment					
374	Reuse Distribution Reservoirs					
375	Reuse Transmission and Distribution System					
380	Treatment & Disposal Equipment					
381	Plant Sewers					
382	Outfall Sewer Lines					6,341
389	Other Plant / Miscellaneous Equipment					37,060
390	Office Furniture & Equipment					72,014
391	Transportation Equipment					
392	Stores Equipment					8,459
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					
395	Power Operated Equipment					
396	Communication Equipment					
397	Miscellaneous Equipment					2,295
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service						\$ 1,963,632

UTILITY NAME: Hudson Utilities, Inc.  
 SYSTEM NAME / COUNTY: Hudson Utilities / Pasco

**YEAR OF REPORT**  
**December 31, 2003**

**CONTRIBUTIONS IN AID OF CONSTRUCTION  
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WASTEWATER (b)
Balance First of Year		\$ 2,693,756
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	S-8(a)	30,969
Contributions received from Developer or Contractor Agreements in cash or property	S-8(b)	
Total Credits		30,969
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 2,724,725

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

Explain all Debits charged to Account 271 during the year below:

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UTILITY NAME: Hudson Utilities, Inc.  
 SYSTEM NAME / COUNTY: Hudson Utilities / Pasco

**YEAR OF REPORT**  
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**WASTEWATER CIAC SCHEDULE "A"**  
**ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY, MAIN**  
**EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR**

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity Charges:	-	-	-
Residential (ERC's)	10	2,400	24,000
Commercial (Gallons)	1,205.71	5.78	6,969
<b>Total Credits</b>			\$ <u>30,969</u>

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION**  
**ACCOUNT 272**

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ 706,980
Debits during year:	
Accruals charged to Account	89,676
Other Debits (specify):	
Prior period adjustment to correct balance	13,378
<b>Total debits</b>	<b>103,054</b>
Credits during year (specify):	
<b>Total credits</b>	
Balance end of year	\$ <u>810,034</u>



**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
<b>WASTEWATER SALES</b>				
Flat Rate Revenues:				
521.1	Residential Revenues			\$ -
521.2	Commercial Revenues			
521.3	Industrial Revenues			
521.4	Revenues From Public Authorities			
521.5	Multiple Family Dwelling Revenues			
521.6	Other Revenues			
521	Total Flat Rate Revenues			-
Measured Revenues:				
522.1	Residential Revenues	2,174	2,196	\$ 891,970
522.2	Commercial Revenues	125	125	268,578
522.3	Industrial Revenues (Bulk Service)	1	1	206,164
522.4	Revenues From Public Authorities			
522.5	Multiple Family Dwelling Revenues (Units)			
522	Total Measured Revenues	2,300	2,322	1,366,712
523	Revenues From Public Authorities			
524	Revenues From Other Systems			
525	Interdepartmental Revenues			
	Total Wastewater Sales	2,300	2,322	\$ 1,366,712
<b>OTHER WASTEWATER REVENUES</b>				
530	Guaranteed Revenues			\$ -
531	Sale Of Sludge			
532	Forfeited Discounts			
534	Rents From Wastewater Property			
535	Interdepartmental Rents			
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			1,023
	Total Other Wastewater Revenues			\$ 1,023

\* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

**WASTEWATER OPERATING REVENUE**

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
	Flat Rate Reuse Revenues:			
540.1	Residential Reuse Revenues			\$ -
540.2	Commercial Reuse Revenues			
540.3	Industrial Reuse Revenues			
540.4	Reuse Revenues From Public Authorities			
540.5	Other Reuse Revenues			
540	Total Flat Rate Reuse Revenues			
	Measured Reuse Revenues:			
541.1	Residential Reuse Revenues			
541.2	Commercial Reuse Revenues			
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues			
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				
Total Wastewater Operating Revenues				\$ 1,367,735

\* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

UTILITY NAME: Hudson Utilities, Inc.  
 SYSTEM NAME / COUNTY: Hudson Utilities / Pasco

YEAR OF REPORT  
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WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)	.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)
701	Salaries and Wages - Employees	\$ 65,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders	86,205						
704	Employee Pensions and Benefits	11,061						
710	Purchased Sewage Treatment	422,915					422,915	
711	Sludge Removal Expense							
715	Purchased Power	14,107					14,107	
716	Fuel for Power Production							
718	Chemicals							
720	Materials and Supplies	7,845					4,780	
731	Contractual Services - Engineering							
732	Contractual Services - Accounting	17,497						
733	Contractual Services - Legal	24,612						
734	Contractual Services - Mgt. Fees							
735	Contractual Services - Testing							
736	Contractual Services - Other	13,388					13,388	
741	Rental of Building/Real Property	9,472						
742	Rental of Equipment							
750	Transportation Expense	10,906						
756	Insurance - Vehicle	5,848						
757	Insurance - General Liability	6,505					6,505	
758	Insurance - Workmens Comp.	3,043						
759	Insurance - Other							
760	Advertising Expense							
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	5,816						
767	Regulatory Commission Exp.-Other							
770	Bad Debt Expense	5,350						
775	Miscellaneous Expenses	42,038					11,050	
	Total Wastewater Utility Expenses	\$ 752,540	\$ -	\$ -	\$ -	\$ -	\$ 472,745	\$ -

S-10(a)  
 GROUP 1

UTILITY NAME: Hudson Utilities, Inc.  
SYSTEM NAME / COUNTY: Hudson Utilities / Pasco

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO.	ACCOUNT NAME	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES - OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES - MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES - OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES - MAINTENANCE (o)
701	Salaries and Wages - Employees	\$ -	\$ 65,932	\$ -		\$ -	\$ -
703	Salaries and Wages - Officers, Directors and Majority Stockholders		86,205				
704	Employee Pensions and Benefits		11,061				
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Production						
718	Chemicals						
720	Materials and Supplies		3,065				
731	Contractual Services - Engineering		17,497				
732	Contractual Services - Accounting		24,612				
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other						
741	Rental of Building/Real Property		9,472				
742	Rental of Equipment						
750	Transportation Expense	10,906					
756	Insurance - Vehicle		5,848				
757	Insurance - General Liability						
758	Insurance - Workmens Comp.		3,043				
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense		5,816				
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense	5,350					
775	Miscellaneous Expenses	6,243	24,745				
	Total Wastewater Utility Expenses	\$ 22,499	\$ 257,296	\$ -	\$ -	\$ -	\$ -

UTILITY NAME: Hudson Utilities, Inc.  
 SYSTEM NAME / COUNTY: Hudson Utilities / Pasco

**YEAR OF REPORT**  
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**CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS**

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0	2,196	2,196
5/8"	Displacement	1.0		
3/4"	Displacement	1.5	101	152
1"	Displacement	2.5	6	15
1 1/2"	Displacement or Turbine	5.0	9	45
2"	Displacement, Compound or Turbine	8.0	6	48
3"	Displacement	15.0	2	30
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	1	25
4"	Turbine	30.0		
6"	Displacement or Compound	50.0	1	50
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				2,561

**CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS**

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:

$$ERC = ( \text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day} )$$

For wastewater only utilities:

Subtract all general use and other non-residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per

**NOTE:** Total gallons treated includes both treated and purchased treatment

ERC Calculation:	$\left( \frac{114,136,000}{\text{(total gallons treated)}} / 365 \text{ days} \right) / 173 \text{ gpd} =$	1,808
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UTILITY NAME: Hudson Utilities, Inc.  
 SYSTEM NAME / COUNTY: Hudson Utilities / Pasco

**YEAR OF REPORT**  
**December 31, 2003**

**WASTEWATER TREATMENT PLANT INFORMATION**  
 Provide a separate sheet for each wastewater treatment facility

Permitted Capacity	N/A(3)		
Basis of Permit Capacity (1)	N/A(3)		
Manufacturer	N/A(3)		
Type (2)	N/A(3)		
Hydraulic Capacity	N/A(3)		
Average Daily Flow	312,701		
Total Gallons of Wastewater Treated	114,136,000		
Method of Effluent Disposal	Purchased Sewage Pasco County		

- (1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit (i.e. average annual daily flow, etc)
- (2) Contact stabilization, advanced treatment, etc.
- (3) All sewage is transmitted for treatment to the Pasco County sub-regional wastewater plant; therefore, permitted capacity, basis, manufacturer, type and hydraulic capacity questions are not applicable.



UTILITY NAME: Hudson Utilities, Inc.  
SYSTEM NAME / COUNTY: Hudson Utilities / Pasco

YEAR OF REPORT  
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**OTHER WASTEWATER SYSTEM INFORMATION**

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present ERC's \* that system can efficiently : 1,808
2. Maximum number of ERC's \* which can be served 2,500 - Within the certificated service area
3. Present system connection capacity (in ERC's \*) using existing 1808
4. Future system connection capacity (in ERC's \*) upon service area 2500
5. Estimated annual increase in ERC's \* 100
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.  
Expansion of collection system to serve an additional 695 connections is in progress.
7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.
8. If the utility does not engage in reuse, has a reuse feasibility study been completed No  
If so, when? N/A
9. Has the utility been required by the DEP or water management district to implement reuse No  
If so, what are the utility's plans to comply with N/A
10. When did the company last file a capacity analysis report with \_\_\_\_\_
11. If the present system does not meet the requirements of DEP rules:
  - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
  - b. Have these plans been approved by DEP N/A
  - c. When will construction begin? N/A
  - d. Attach plans for funding the required upgrade N/A
  - e. Is this system under any Consent Order N/A
11. Department of Environmental Protection ID N/A - All treatment is purchased from Pasco County.

\* An ERC is determined based on the calculation on the bottom of Page S-11