CLASS "A" OR "B"

WATER AND/OR WASTEWATER UTILITIES

(Gross Revenue of More Than \$200,000 Each)

ANNUAL REPORT

WU671-06-AR
Peoples Water Service Company of Florida, Inc.
409 Washington Avenue, Suite 310
Towson, MD 21204-4971

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2006

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
E	XECUTIVE :	SUMMARY	
Certification	E-1	Business Contracts with Officers, Directors	
General Information	E-2	and Affiliates	E-7.
Directory of Personnel Who Contact the FPSC	E-3	Affiliation of Officers and Directors	E-8
Company Profile	E-4	Businesses which are a Byproduct, Coproduct or	
Parent / Affiliate Organization Chart	E-5	Joint Product Result of Providing Service	E-9
Compensation of Officers & Directors	E-6	Business Transactions with Related Parties.	E-10
		Part I and II	
	ż		
	FINANCIAL	SECTION	
Comparative Balance Sheet -	F-1	Unamortized Debt Discount / Expense / Premium	F-13
Assets and Other Debits		Extraordinary Property Losses	F-13
Comparative Balance Sheet -	F-2	Miscellaneous Deferred Debits	F-14
Equity Capital and Liabilities	1 2	Capital Stock	F-15
Comparative Operating Statement	F-3	Bonds	F-15
Year End Rate Base	F-4	Statement of Retained Earnings	F-16
Year End Capital Structure	F-5	Advances from Associated Companies	F-17
Capital Structure Adjustments	F-6	Other Long Term Debt	F-17
Utility Plant	F-7	Notes Payable	F-18
Utility Plant Acquisition Adjustments	F-7	Accounts Payable to Associated Companies	F-18
Accumulated Depreciation	F-8	Accrued Interest and Expense	F-19
Accumulated Amortization	F-8	Miscellaneous Current & Accrued Liabilities	F-20
Regulatory Commission Expense -	F-9	Advances for Construction	F-20
Amortization of Rate Case Expense		Other Deferred Credits	F-21
Nonutility Property	F-9	Contributions In Aid of Construction	F-22
Special Deposits	F-9	Accumulated Amortization of CIAC	F-22
Investments and Special Funds	F-10	Reconciliation of Reported Net Income with	F-23
Accounts and Notes Receivable - Net	F-11	Taxable Income for Federal Income Taxes	
Accounts Receivable from Associated Companies	F-12		
Notes Receivable from Associated Companies	F-12		
Miscellaneous Current & Accrued Assets	F-12		

TABLE OF CONTENTS

SCHEDULE	PAGE	SCHEDULE	PAGE
WAT	ER OPERAT	TION SECTION	
Water Listing of System Groups	W-1	CIAC Additions / Amortization	W-8
Water Listing of System Groups Year End Water Rate Base	W-1 W-2		•
		Water Operating Revenue	W-9
Water Operating Statement	W-3	Water Utility Expense Accounts	W-10
Water Utility Plant Accounts	W-4	Pumping and Purchased Water Statistics,	W-11
Basis for Water Depreciation Charges	W-5	Source Supply	
Analysis of Entries in Water Depreciation	W-6	Water Treatment Plant Information	W-12
Reserve	1	Calculation of ERC's	W-13
Contributions In Aid of Construction	W-7	Other Water System Information	W-14
WASTEV	WATER OPE	RATION SECTION	
Wastewater Listing of System Groups	S-1	Contributions In Aid of Construction	S-7
Year End Wastewater Rate Base	S-2	CIAC Additions / Amortization	S-8
Wastewater Operating Statement	S-3	Wastewater Operating Revenue	S-9
Wastewater Utility Plant Accounts	S-4	Wastewater Utility Expense Accounts	S-10
Basis for Wastewater Depreciation Charges	S-5	Calculation of ERC's	S-10
Analysis of Entries in Wastewater Depreciation	S-6	Wastewater Treatment Plant Information	S-11
Reserve	3-0		- · ·
Vereire		Other Wastewater System Information	S-13

EXECUTIVE SUMMARY

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2006

CERTIFICATION OF ANNUAL REPORT

THEREE	SY CERTIFY	Y, to the	best of my knowledge and belief:
YES X	NO	1.	The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.
YES X	NO	2.	The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.
YES X	NO	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 the financial statement of the utility.
YES X	NO	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 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. X X X
		1. X	2. 3. 4. Serab H. matton Treasurer (Signature of 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, 2006

Peoples Water Service Company of Florida, Inc. County: Escambia	l
(Exact Name of Utility)	
List below the exact mailing address of the utility for which normal correspondence should be sent:	
Peoples Water Service Company of Florida, Inc.	
409 Washington Avenue, Suite 310	
Towson, Maryland 21204	
Towson, Haryrand 21204	
Telephone: 410-825-3722	
E Mail Address: sgillet@peopleswater.net or gmatson@peopleswater.net	
WED City	
WEB Site:	
Sunshine State One-Call of Florida, Inc. Member Number PWSCO	
Building State One State of Providing Me. Member Palmoer	
Name and address of person to whom correspondence concerning this report should be addressed:	
Sherlock S. Gillet Jr., Vice President or Gerald H. Matson, Treasurer	
Peoples Water Service Company of Florida, Inc.	·
409 Washington Avenue, Suite 310	
Towson, Maryland 21204	
Telephone:410-825-3722	
List below the address of where the utility's books and records are located:	
Corporate records and general ledger are located at:	
409 Washington Avenue, Suite 310, Towson, Maryland 21204	
Detail consumers accounts and operational data are located at:	
905 Lownde Avenue, Pensacola, Florida 32507	
Telephone: 410-825-3722 (MD); 850-455-8552 (FL)	
List below any groups auditing or reviewing the records and operations:	
Clifton Gunderson, LLP	
Officer duraction, and	
Date of original organization of the utility: May 1, 1995	
Check the appropriate business entity of the utility as filed with the Internal Revenue Service	
Individual Partnership Sub S Corporation 1120 Corporation	
X	
List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities	
of the utility:	
of the utility.	Percent
Name	Ownership
1. The Peoples Water Service Company	100%
2.	100%
3.	
4.	
5.	·
6.	
7.	
8.	
9.	
10.	

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1)	TITLE OR POSITION (2)	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Sherlock S. Gillet	President	Towson, Maryland	Finance & Operations
Sherlock S. Gillet Jr.	Vice President	Towson, Maryland	Finance & Operations
Gerald H. Matson	Treasurer	Towson, Maryland	Accounting & Finance
R. Mark Cross	Manager	Pensacola, Florida	Customers & Operations
James E. Ogle	Assistant to the Manager	Pensacola, Florida	Customers & Operations
Robert A. Emmanuel	Attorney	850-433-6581	Legal Matters
F. Marshall Deterding	Attorney	850-877-6555	Accounting & Legal Matters
Martin S. Friedman	Attorney	850-877-6555	Accounting & Legal 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.

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.

The Peoples Water Service Company ("Parent Company") was formed in 1929 to operate as an investor-owned public water utility. Having acquired several water plants in the southeastern states, the Company acquired a franchise in 1937 to provide water service to residential and commercial customers in the Warrington suburb of Pensacola in Escambia County, Florida. Prior to May 1, 1995, the Warrington Plant was operated as a separate division of The Peoples Water Service Company. Corporate offices are located in Towson, Baltimore County, Maryland.

A wholly-owned subsidiary, Water Treatment & Controls Company, sells, installs and services water and wastewater treatment equipment and related accessories to/for commercial, industrial, and municipal customers located in the southern states.

CORPORATE REORGANIZATION

The Parent Company reorganized its operations on May 1, 1995. All of the assets and liabilities of the Warrington Plant operating as a public water utility in Pensacola, Florida, were transferred to a new Florida corporation, Peoples Water Service Company of Florida, Inc., a wholly-owned subsidiary of the Parent Company.

Peoples Water Service Company of Maryland, Inc., a wholly-owned subsidiary of the Parent Company, provides management and administrative support services to the operating subsidiaries and divisions of the Parent, including Peoples Water Service Company of Florida, Inc.

The enclosed financial statements represent the statement of financial condition and the results of operations of Peoples Water Service Company of Florida, Inc.

H:\Company 2001\Profile.FL.doc

PARENT / AFFILIATE ORGANIZATION CHART

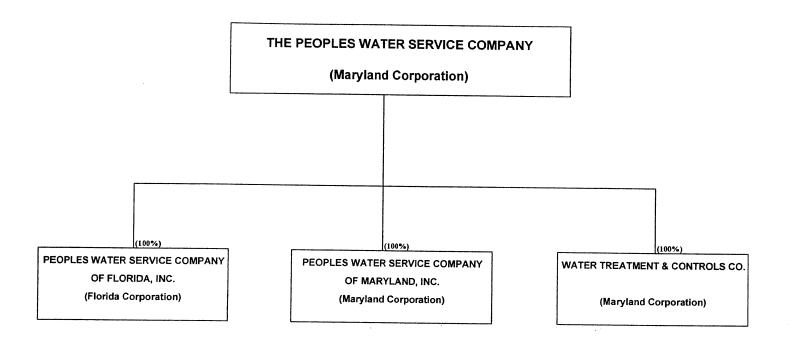
Current as of December 31, 2006

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

UTILITY NAME:

Organizational Ch	nart is attached as page E-5(b).
·	

THE PEOPLES WATER SERVICE COMPANY AND SUBSIDIARIES ORGANIZATIONAL CHART



UTILITY NAME: Peoples Water Service Company of Florida, Inc. December 31, 2006

YEAR OF REPORT

COMPENSATION OF OFFICERS

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
Sherlock S. Gillet	President	29%	§ 153,864
Sherlock S. Gillet Jr.	Vice President	29%	101,542
Gerald H. Matson	Secretary- Treasurer	29%	38,617

COMPENSATION OF DIRECTORS

NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
Sherlock S. Gillet	Director	1	s0
Sherlock S. Gillet Jr.	Director	11	0
Gerald H. Matson	Director	1	0

UTILITY NAME:

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or 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.

NAME OF	IDENTIFICATION		NAME AND
OFFICER, DIRECTOR	OF SERVICE		ADDRESS OF
OR AFFILIATE	OR PRODUCT	AMOUNT	AFFILIATED ENTITY
(a)	(b)	(c)	(d)
Peoples Water Service Compan of Maryland, Inc.	y Management Fees	§ 506,974	409 Washington Ave Suite 310
			Towson, Maryland 21204
Peoples Water Service Compan of Maryland, Inc.	y Computer Service	150,251	409 Washington Ave Suite 310
			Towson, Maryland 21204
Water Treatment & Controls	Equipment,		409 Washington Ave Suite 310
Company	Parts & Service	19,862	Suite 310
			Towson, Maryland 21204
	·		

^{*} 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:

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principal occupation or business 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.

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Sherlock S. Gillet	Pres./Director		The Peoples Water Service Company
			Towson, Maryland
Sherlock S. Gillet	Pres./Director		Water Treatment & Controls Company Towson, Maryland
			Peoples Water Service
Sherlock S. Gillet	Pres./Director		Co. of Maryland, Inc Towson, Maryland
Sherlock S. Gillet Jr.	Vice Pres./ Director		The Peoples Water Service Company Towson, Maryland
Sherlock S. Gillet Jr.	Vice President		Water Treatment & Controls Company Towson, Maryland
Sherlock S. Gillet Jr.	Vice Pres./ Director	,	Peoples Water Service Co. of Maryland, Inc Towson, Maryland
Gerald H. Matson	SecTreas,/ Director		The Peoples Water Service Company Towson, Maryland
Gerald H. Matson	Secretary- Treasurer		Water Treatment & Controls Company
Gerald H. Matson	SecTreas./ Director		Towson, Maryland Peoples Water Service Co. of Maryland, Inc. Towson, Maryland

Peoples Water Service Company of Florida, Inc.

UTILITY NAME:

YEAR OF REPORT December 31, 2006

BUSINESSES WHICH ARE A BY-PRODUCT, COPRODUCT OR JOINT-PRODUCT RESULT OF PROVIDING WATER OR WASTEWATER SERVICE

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 revenue and expenses segregated out as nonutility also. Complete the following for any business which is conducted as a byproduct, coproduct, or joint product as a result of providing water and / or wastewater 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,

2
BOOK COST ACCOUNT OF ASSETS NUMBER (b) (c)

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any on 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, and 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

	DESCRIPTION	CONTRACT OR		UAL CHARGES
NAME OF COMPANY OR RELATED PARTY (a)	SERVICE AND/OR NAME OF PRODUCT (b)	AGREEMENT EFFECTIVE DATES (c)	(P)urchased (S)old (d)	AMOUNT (e)
Clifton Gunderson, LLP	Accounting	Annua1	P	\$ 4,300
			·	

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

	". plemental	FAIR MARKET VALUE (f)	S
	 (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 reported. (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. 	GAIN OR LOSS (e)	
ns 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 reported. (column (c) - column (d)) (f) Enter the fair market value for each item reported. In space below or in a sugschedule, describe the basis used to calculate fair market value. 	NET BOOK VALUE (d)	SA SA
3. The columnar instructions follow:	 (a) Enter name of related party or company. (b) Describe briefly the type of assets purch (c) Enter the total received or paid. Indicate (d) Enter the net book value for each item re (e) Enter the net profit or loss for each item (f) Enter the fair market value for each item (f) Enter the fair market value for each item 	SALE OR PURCHASE PRICE (¢)	
	nsactions to include: ment and structures ities k dividends	DESCRIPTION OF ITEMS (b)	
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 land and structures -noncash transfers of assets -noncash dividends other than stock dividends -write-off of bad debts or loans	NAME OF COMPANY OR RELATED PARTY (a)	See Page E-7

FINANCIAL SECTION

UTILITY NAME:

COMPARATIVE BALANCE SHEET ASSETS AND OTHER DEBITS

ACCT.	ASSETS AND OTH	REF.	PREVIOUS	CURRENT
NO.	ACCOUNT NAME	PAGE	YEAR	YEAR
(a)	(b)	(c)	(d)	(e)
	UTILITY PLANT			
101-106	Utility Plant		\$ 11,261,340	s 11,905,776
108-110	Less: Accumulated Depreciation and Amortization	F-8	5,738,043	6,009,941
	Net Plant		\$_5 , 523 , 297	\$ 5,895,835
114-115	Utility Plant Acquisition adjustment (Net)	F-7		
116*	Other Utility Plant Adjustments			
	Total Net Utility Plant		\$ 5,523,297	\$ 5,895,835
	OTHER PROPERTY AND INVESTMENTS			
121	Nonutility Property	F-9	\$	\$
122	Less: Accumulated Depreciation and Amortization			
	Net Nonutility Property	1 5 10	\$	\$
123	Investment in Associated Companies	F-10		
124	Utility Investments	F-10	1 105	1 105
125	Other Investments	F-10	1,125	1,125
126-127	Special Funds	F-10		
	Total Other Property & Investments		§ 1,125	s <u>1,125</u>
	CURRENT AND ACCRUED ASSETS			
131	Cash		\$ 198,488	\$ 88,610
132	Special Deposits	F-9		
133	Other Special Deposits	F-9		
134	Working Funds		6,000	6,000
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated			
	Provision for Uncollectible Accounts	F-11	98,139	65,141
145	Accounts Receivable from Associated Companies	F-12		
146	Notes Receivable from Associated Companies	F-12		
151-153	Material and Supplies		48,052	56,084
161	Stores Expense			
162	Prepayments		25,026	24,298
171	Accrued Interest and Dividends Receivable		***************************************	
172 *	Rents Receivable			_
173 *	Accrued Utility Revenues		238,771	249,085
174	Miscellaneous Current and Accrued Assets	F-12	4,925	45,296
	Total Current and Accrued Assets		s 619,401	\$ 534,514
L			1	

^{*} Not Applicable for Class B Utilities

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2006

COMPARATIVE BALANCE SHEET ASSETS AND OTHER DEBITS

ACCT.		REF.	PREVIOUS	CURRENT
NO.	ACCOUNT NAME	PAGE	YEAR	YEAR
(a)	(b)	(c)	(d)	(e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13	\$	s
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey & Investigation Charges			
184	Clearing Accounts			
185 *	Temporary Facilities			
186	Miscellaneous Deferred Debits	F-14		
187 *	Research & Development Expenditures			
. 190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		\$	\$
TOTAL ASSETS AND OTHER DEBITS			\$_6,143,823	\$

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET The space below is provided for important notes regarding the balance sheet.					
11	e space below is provided for important notes regarding the barance sheet.				

UTILITY NAME:

COMPARATIVE BALANCE SHEET EQUITY CAPITAL AND LIABILITIES

ACCT.	EQUITY CAPITAL AN	REF.	PREVIOUS	CVIDDENIA
NO.	ACCOUNT NAME	PAGE	i	CURRENT
(a)	(b)		YEAR	YEAR
(=)	EQUITY CAPITAL	(c)	(d)	(e)
201	Common Stock Issued	F-15	s 100	s 100
204	Preferred Stock Issued	F-15	100	B
202,205 *	Capital Stock Subscribed	1-13		
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			1
211	Other Paid - In Capital		2,627,503	2,627,503
212	Discount On Capital Stock			2,027,505
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	319,416	472,540
216	Reacquired Capital Stock	1 10		472,340
218	Proprietary Capital	·		
	(Proprietorship and Partnership Only)			
	Total Equity Capital		\$_2,947,019	\$ _ 3,100,143
	LONG TERM DEBT			
221	Bonds	F-15		
222 *	Reacquired Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17		
	Total Long Term Debt		\$	\$
	CURRENT AND ACCRUED LIABILITIES			
231	Accounts Payable	1	182,340	255,045
232	Notes Payable	F-18		
233	Accounts Payable to Associated Companies	F-18		
234	Notes Payable to Associated Companies	F-18		
235	Customer Deposits		123,951	119,779
236	Accrued Taxes	W/S-3	136,186	104,167
237	Accrued Interest	F-19	3,567	3,611
238	Accrued Dividends		MAIN .	
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current & Accrued Liabilities	F-20	107,647	192,534
	Total Current & Accrued Liabilities		\$553,691	s 675,136

^{*} Not Applicable for Class B Utilities

UTILITY NAME:

YEAR OF REPORT December 31, 2006

COMPARATIVE BALANCE SHEET EQUITY CAPITAL AND LIABILITIES

ACCT.	EQUITI CATTIAL AND	REF.	PREVIOUS	CURRENT
NO.	ACCOUNT NAME	PAGE	YEAR	YEAR
(a)	(b)	(c)	(d)	(e)
(-)	DEFERRED CREDITS	1	(4)	
251	Unamortized Premium On Debt	F-13	s	s
252	Advances For Construction	F-20		[
253	Other Deferred Credits	F-21		
255	Accumulated Deferred Investment Tax Credits			
	Total Deferred Credits		\$	\$
	OPERATING RESERVES			
261	Property Insurance Reserve		\$	s .
262	Injuries & Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
	Total Operating Reserves		\$	\$
	CONTRIBUTIONS IN AID OF CONSTRUCTION			
271	Contributions in Aid of Construction	F-22	\$ 3,634,126	\$ 3,746,915
272	Accumulated Amortization of Contributions		1,293,019	1,378,017
	in Aid of Construction	F-22	1,293,019	1,3/0,01/
	Total Net C.I.A.C.		\$ <u>2,341,107</u>	\$
	ACCUMULATED DEFERRED INCOME TAXES	T		
281	Accumulated Deferred Income Taxes -	1		
	Accelerated Depreciation		s 302,006	s 287,297
282	Accumulated Deferred Income Taxes -	1		
	Liberalized Depreciation	1		
283	Accumulated Deferred Income Taxes - Other	1		
	Total Accumulated Deferred Income Tax		\$302,006	\$\$
	TOTAL EQUITY CAPITAL AND LIABILITIES		\$_6,143,823	\$ 6,431,474

UTILITY NAME:

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
100	UTILITY OPERATING INCOME	1	2 000 000	
400	Operating Revenues		\$ 3,038,839	\$ <u>3,256,707</u>
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
	Net Operating Revenues		\$_3,038,839	\$ 3,256,707
401	Operating Expenses	F-3(b)	\$ 2,194,897	\$ 2,154,461
403	Depreciation Expense: Less: Amortization of CIAC	F-3(b) F-22	\$ 346,610 80,717	\$ 392,157 84,998
	Net Depreciation Expense		s 265,893	\$ 307,159
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	297,389	313,404
409	Current Income Taxes	W/S-3	108,807	179,871
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
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 \$ 2,866,986 \$ 2,954,895			
	Net Utility Operating Income		\$ 171,853	\$301,812
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others	T	1,800	1,800
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utilit	y Operating Income [Enter here and on Page F-3(c)]		§ 173,653	\$ 303,612

^{*} For each account, Column e should agree with Cloumns f, g and h on F-3(b)

UTILITY NAME:

YEAR OF REPORT December 31, 2006

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (b)
\$ 3,256,707	\$	\$
\$_3,256,707	\$	\$
\$ 2,154,461	\$	\$
392,157 84,998		
s307,159	\$	\$
313,404 179,871		
\$ 2,954,895	\$	\$
\$ 301,812	\$	\$
1,800		
\$ 303,612	\$	\$

^{*} Total of Schedules W-3 / S-3 for all rate groups.

UTILITY NAME:

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT.		REF.		PREVIOUS	<u> </u>	CURRENT
NO.	ACCOUNT NAME	PAGE		YEAR	l l	YEAR
(a)	(b)	(c)	L	(d)		(e)
Total Utilit	y Operating Income [from page F-3(a)]		\$_	173,653	_ \$	303,612
	OTHER INCOME AND DEDUCTIONS		1		\dashv	
415	Revenues-Merchandising, Jobbing, and	1.				
	Contract Deductions		s	•	s	
416	Costs & Expenses of Merchandising		1 -		-	
	Jobbing, and Contract Work	ľ				
419	Interest and Dividend Income		1 -	2,708	-	8,842
421	Nonutility Income		1 -	73,823	-	75,609
426	Miscellaneous Nonutility Expenses		1 -		-	
	Total Other Income and Deductions		s _	76,531	_ \$	84,451
	TAXES APPLICABLE TO OTHER INCOME		T			
408.20	Taxes Other Than Income		\$		\$	
409.20	Income Taxes		1 -	26,694	-	29,330
410.20	Provision for Deferred Income Taxes		1 -		-	
411.20	Provision for Deferred Income Taxes - Credit		1 -		-	T
412.20	Investment Tax Credits - Net		1 -		_	
412.30	Investment Tax Credits Restored to Operating Income		1 -		_	
	Total Taxes Applicable To Other Income		\$ _	26,694	_ \$	29,330
	INTEREST EXPENSE					***************************************
427	Interest Expense	F-19	\$	7,216	\$	5,609
428	Amortization of Debt Discount & Expense	F-13	1		_	
429	Amortization of Premium on Debt	F-13				
	Total Interest Expense		s _	7,216	_ \$	5,609
	EXTRAORDINARY ITEMS		\vdash			
433	Extraordinary Income		s		s	
434	Extraordinary Deductions		1 -		- [-	
409.30	Income Taxes, Extraordinary Items		1 -		-	
	Total Extraordinary Items		\$_		\$	
	NET INCOME		\$ ₌	216,274	= \$ <u> </u>	353,124

Explain Extraordinary Income:

SCHEDULE OF YEAR END RATE BASE

ACCT.		REF.	WATER	WASTEWATER
NO.	ACCOUNT NAME	PAGE	UTILITY	UTILITY
(a)	(b)	(c)	(d)	(e)
101	Utility Plant In Service	F-7	\$ 11,905,776	\$
	Less:			
1	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8	6,009,941	
110	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	3,746,915	
252	Advances for Construction	F-20		
	Subtotal		\$ _2,148,920	\$
	Add:	T T		
272	Accumulated Amortization of			
	Contributions in Aid of Construction	F-22	1,378,017	
	Subtotal		\$ 3,526,937	\$
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of			
1.	Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		(37,456)	
	Other (Specify):			
		1		
		1		
		1		
	RATE BASE			\$
	NET UTILITY OPERATING INCOME	\$ 303,612	\$	
AC	CHIEVED RATE OF RETURN (Operating Income / Rate Bas	e)	8.70%	

NOTES:

UTILITY NAME:

- (1) Estimate based on the methodology used in the last rate proceeding.
- (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.

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)		
Preferr Long Custor Tax Co Tax Co Deferr	non Equity red Stock Term Debt mer Deposits redits - Zero Cost redits - Weighted Cost red Income Taxes (Explain)	\$					
	Total	\$					
(1)	If the utility's capital structure	e is not used, explain which	n capital structure is use	d.			
(2)	Should equal amounts on Sch	edule F-6, Column (g).					
(3)	Mid-point of the last authoriz	ed Return On Equity or cu	rrent leverage formula i	f none has been establish	ned.		
	Musi proceed	be calculated using the sar ding using current annual r	me methodology used in eport year end amounts	n the last rate and cost rates.			
		APPROVED RE	TURN ON EQUIT	Y			
	Current Commi	ssion Return on Equity:	%				
	Commission order approving Return on Equity:						
	APPROVED AFUDC RATE COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR						
	Current Commission	Approved AFUDC rate:	%				
	Commission order a	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.

Peoples Water Service Company of Florida, Inc.

UTILITY NAME:

	CAPITAL STRUCTURE (g)	\$	8
EEDING	OTHER (1) ADJUSTMENTS PRO RATA (f)		9
JUSTMENTS LLAST RATE PROC	OTHER (1) ADJUSTMENTS SPECIFIC (e)		
SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING	NON- JURISDICTIONAL ADJUSTMENTS (d)		
HEDULE OF CAPIT TH THE METHODO	NON-UTILITY ADJUSTMENTS (c)		
SCHEDULI CONSISTENT WITH THE	PER BOOK BALANCE (b)	S9.	\$
	CLASS OF CAPITAL (a)	Common Equity Preferred Stock Long Term Debt Customer Deposits Tax Credits - Zero Cost Tax Credits - Weighted Cost Deferred Inc. Taxes Other (Explain)	Total

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

UTILITY NAME:

YEAR OF REPORT
December 31, 2006

UTILITY PLANT ACCOUNTS 101 - 106

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service Utility Plant Leased to Other	\$ <u>11,886,158</u>	\$	\$ 	\$_11,886,158
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	19,618			19,618
106	Completed Construction Not Classified				
	Total Utility Plant	s <u>11,905,776</u>	\$	\$	\$ <u>11,905,776</u>

UTILITY PLANT ACQUISITION ADJUSTMENTS ACCOUNTS 114 AND 115

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

	Tor any acquisition	r adjustificitis approved	by the Continuestion, inc		For any acquisition adjustments approved by the Commission, include the Order Number.				
ACCT. NO.	DESCRIPTION	WATER	WASTEWATER	OTHER THAN REPORTING SYSTEMS	TOTAL				
(a)	(b)	(c)	(d)	(e)	(f)				
114	Acquisition Adjustment	\$	\$	\$	\$				
Total P	Plant Acquisition Adjustments	\$	\$	\$	\$				
115	Accumulated Amortization	\$	\$	\$	s				
Total A	Accumulated Amortization	\$	\$	\$	\$				
Net Ac	quisition Adjustments	\$	\$	\$	\$				

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

ACCOMOLATED DEF	T		Ť	· 100 jinib Air	OTHER THA		C1.110)
					REPORTING		
DESCRIPTION	ļ	WATER	1	WASTEWATER	SYSTEMS		TOTAL
(a)		(b)	ı	(c)	(d)		(e)
ACCUMULATED DEPRECIATION	1		十				(6)
Account 108			1				
Balance first of year	\$	5,738,043	\$		\$		5,738,043
Credit during year:	T		T				
Accruals charged to:			1				
Account 108.1 (1)	\$	392,157	\$		\$	1	§ 392,157
Account 108.2 (2)	┨.						
Account 108.3 (2)			1.				
Other Accounts (specify):							
			1.				
	4 -	T	1.				
Salvage	┨-		1.				
Other Credits (Specify):							·
Total Credits	8	392,157	R		\$		392,157
Debits during year:	Ť		۴		1		5 372,137
Book cost of plant retired		120,259					120,259
Cost of Removal	┨-		1				120,239
Other Debits (specify):	1 -						
	1 -		1				
W. 15.11		120 250	T				100.050
Total Debits	\$	120,259	\$		\$		120,259
Delenes and of year		6,009,941			L		6,009,941
Balance end of year	P =		P		\$		5 0,009,941
ACCUMULATED AMORTIZATION	+		╀				
Account 110							
Balance first of year	k				6		T
Credit during year:	╬-		₽		Þ		Þ
Accruals charged to:							*
11314410 01141604 10.	k		k		k		t l
Account 110.2 (3)	- T		۲.		ľ ————		p
Other Accounts (specify):	-		-			— I	
(Speeding).							
Total credits	\$		\$		s		5
Debits during year:	T		T				-
Book cost of plant retired	İ		1				
Other debits (specify):	7 -		-				
	L						
T. I.D. I.:							
Total Debits	S		\$		\$		\$
Balance end of year	k				r.		n
Dalance end of year	۳=		٦		P	[
			_		1		

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

UTILITY NAME:

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2006

REGULATORY COMMISSION EXPENSE AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)

	EXPENSE	CHARGED OFF DURING YEAR		
DESCRIPTION OF CASE (DOCKET NO.) (a)	INCURRED DURING YEAR (b)	ACCT.	AMOUNT (e)	
	\$		\$	
Total	\$		\$	

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)
	\$	\$	\$	\$
Total Nonutility Property	\$	\$	\$	\$

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):	\$
Total Special Deposits	\$
OTHER SPECIAL DEPOSITS (Account 133):	\$
Total Other Special Deposits	\$

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2006

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):	\$	\$
Total Investment in Associated Companies		\$0
UTILITY INVESTMENTS (Account 124):	\$	s
Total Utility Investment		s0
OTHER INVESTMENTS (Account 125): Stock	\$	\$1,125
Total Other Investment		\$1,125
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: A	ccount 127):	\$
Total Special Funds		so

UTILITY NAME:

YEAR OF REPORT December 31, 2006

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 Amounts included in Accounts 142 and 144 should be listed individually

DESCRIPTION (a)	TOTAL
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):	(b)
Water \$ 65,141	
Wastewater	-
Other	-
Curo	-
Total Customer Assessment Descinals	s 65,141
Total Customer Accounts Receivable OTHER ACCOUNTS RECEIVABLE (Account 142):	\$ 05,141
OTHER ACCOUNTS RECEIVABLE (ACCOUNT 142):	
	-
	- 🕽
Total Other Accounts Receivable	¢
NOTES RECEIVABLE (Account 144):	-
\$	
	-
	·
	-
Total Notes Receivable	\$
Total Accounts and Notes Receivable	\$ 65,141
ACCUMULATED PROVISION FOR	
UNCOLLECTIBLE ACCOUNTS (Account 143)	
Balance first of year \$	
Add: Provision for uncollectibles for current year \$	
Collection of accounts previously written off	
Utility Accounts	
Others	
	-
Total Additions	
Deduct accounts written off during year:	7
Utility Accounts	
Others	-
	-
	•
	7
Total accounts written off \$	-
Balance end of year	\$
TOTAL ACCOUNTS AND NORTH DEPTH AND NEW	s 65,141
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET	D 141

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2006

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES ACCOUNT 145

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES ACCOUNT 146

Report each note receivable from associated companies separately.

Topon each note receivable from	INTEREST	
DESCRIPTION	RATE	TOTAL
(a)	(b)	(c)
	%	
	%	
	%	
	%	
	%	
	%	
	%	
Total	\$	

MISCELLANEOUS CURRENT AND ACCRUED ASSETS ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
Miscellaneous Accounts Receivable	s 45,296
Total Miscellaneous Current and Accrued Liabilities	s 45,296

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2006

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT ACCOUNTS 181 AND 251

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):	\$	\$
Total Unamortized Debt Discount and Expense	\$	\$
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$	\$
Total Unamortized Premium on Debt	\$	\$

EXTRAORDINARY PROPERTY LOSSES ACCOUNT 182

Report each item separately.

DESCRIPTION	TOTAL
(a)	(b)
	\$
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)		
	\$	\$
Total Deferred Rate Case Expense	\$	\$
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
	\$	\$
Total Other Deferred Debits	\$	\$
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
	\$	\$
Total Regulatory Assets	\$	\$
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$	\$

CAPITAL STOCK ACCOUNTS 201 AND 204*

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK	1	s 100
Par or stated value per share		
Shares authorized		1,000
Shares issued and outstanding		100
Total par value of stock issued		\$ 100
Dividends declared per share for year	2,000	\$ 200,000
PREFERRED STOCK	}	
Par or stated value per share	-	\$
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued	9	/\$
Dividends declared per share for year	0	/ \$5

^{*} Account 204 not applicable for Class B utilities.

UTILITY NAME:

BONDS ACCOUNT 221

	INTEREST		PRINCIPAL
DESCRIPTION OF OBLIGATION	ANNUAL	FIXED OR	AMOUNT PER
(INCLUDING DATE OF ISSUE AND DATE OF MATURITY)	RATE	VARIABLE *	BALANCE SHEET
(a)	(b)	(c)	(d)
	%		\$
	1%		
<u> </u>	% %		
	1		
	/ //		
]		
	\		
	<u> </u>		
Total			\$

^{*} For variable rate obligations, provide the basis for the rate. (i.e., prime + 2%, etc.)

YEAR OF REPORT December 31,2006

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.

Show separately the state and federal income tax effect of items shown in Account No. 439.

	Show separately the state and federal income tax effect of items shown in Account No. 439.	
NO. (a)	DESCRIPTION (b)	AMOUNTS
215	Unappropriated Retained Earnings:	(c)
213	Balance Beginning of Year	319,416
	Changes to Account:	5 327,120
439	Adjustments to Retained Earnings (requires Commission approval prior to use):	,
437	Credits:	r.
	Cicuità.	P
	Total Credits:	k
	Debits:	\$
	Total Debits:	s
435	Balance Transferred from Income	\$ 353,124
436	Appropriations of Retained Earnings:	
	Total Appropriations of Retained Earnings	\$
	Dividends Declared:	
437	Preferred Stock Dividends Declared	
420	C C. I.D. I. I. D. I. I.	
438	Common Stock Dividends Declared	
		200,000
	Total Dividends Declared	\$ 200,000
215	Year end Balance	472,540
213	i cai ciù Dalaite	3
214	Appropriated Retained Earnings (state balance and	
21.	purpose of each appropriated amount at year end):	
	parpoor or each appropriated amount at your ond).	
214	Total Appropriated Retained Earnings	\$
	· In	470 540
otal Re	ained Earnings	\$ 472,540
Jotos to	Statement of Retained Earnings:	
NOIES 10	Statement of Relative Earthings.	

YEAR OF REPORT
December 31, 2006

ADVANCES FROM ASSOCIATED COMPANIES ACCOUNT 223

Report each advance separately.

DESCRIPTION (a)	TOTAL (b)
	\$
Total	\$

OTHER LONG-TERM DEBT ACCOUNT 224

	II.	NTEREST	PRINCIPAL
DESCRIPTION OF OBLIGATION	ANNUAL	FIXED OR	AMOUNT PER
(INCLUDING DATE OF ISSUE AND DATE OF MATURITY)	RATE	VARIABLE *	BALANCE SHEET
(a)	(b)	(c)	(d)
	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
:	%		
	%		
	%		
	%		
	%		
	%	***************************************	
	%		
	%	77 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	
	%	****	
True I			
Total			\$
			1

 $[\]ast\,$ For variable rate obligations, provide the basis for the rate. (i.e., prime + 2%, etc.)

YEAR OF REPORT
December 31, 2006

NOTES PAYABLE ACCOUNTS 232 AND 234

ACCOUNTS 252	~~~~~	TEREST	PRINCIPAL
DESCRIPTION OF OBLIGATION	ANNUAL	FIXED OR	AMOUNT PER
(INCLUDING DATE OF ISSUE AND DATE OF MATURITY)	RATE	VARIABLE *	BALANCE SHEET
(a)	(b)	(c)	(d)
NOTES PAYABLE (Account 232):	% % % % % % % %		\$
Total Account 232			\$
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):	% 		\$
Total Account 234			\$

^{*} 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	TOTAL
(a)	(b)
	\$
Total	\$

UTILITY NAME:

ACCRUED INTEREST AND EXPENSE ACCOUNTS 237 AND 427

	INTEREST ACCRUED DURING YEAR INTEREST	NT PAID DURING BALAI OF	(d) (e) (f)	\$		S	5,609 \$ 5,565 \$ 3,611		5,609 s 5,565 s 3,611	5,609 8 5,565 8 3,611	5.609 (2) Must come to B 2 (2) Bacineira and	Ending Balance of Accrued Interest.	(2) Must agree to F-3 (c), Current	Year Interest Expense	5,609
	INTEREST DURIN	T. T.	(c)	<u>\$</u>		\$	427 \$		- \$	<u></u>	1,00	9			<u>\$</u>
ACCOUNTS 237 AND 427	BALANCE	ING	(q)	5		0	\$ 3,567		3,567	3,567					
ACCO		DESCRIPTION OF DEBIT	(a) ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt			Total Account 237.1	ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities Customer Deposits		Total Account 237.2	Total Account 237 (1)	INTEREST EXPENSED:	Less Capitalized Interest Portion of AFUDC:			Net Interest Expensed to Account No. 427 (2)

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2006

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES

ACCOUNT 241

DESCRIPTION - Provide itemized listing	BALANCE END OF YEAR
Accrued Expenses	(b) \$ 192,534
Total Miscellaneous Current and Accrued Liabilities	\$ 192,534

ADVANCES FOR CONSTRUCTION

ACCOUNT 252

1.7	CC 0111 #3#				
	BALANCE		DEBITS		-
	BEGINNING	ACCT.			BALANCE END
NAME OF PAYOR *	OF YEAR	DEBIT	AMOUNT	CREDITS	OF YEAR
(a)	(p)	(c)	(p)	(e)	(f)
				•	E
Total		- €9		<u> </u>	8

^{*} Report advances separately by reporting group, designating water or wastewater in column (a).

YEAR OF REPORT December 31, 2006

UTILITY NAME:

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):	\$	\$
Total Regulatory Liabilities	\$	\$
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):	S	\$
Total Other Deferred Liabilities	\$	\$
TOTAL OTHER DEFERRED CREDITS	\$	\$

YEAR OF REPORT
December 31, 2006

CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 271

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ 3,634,126	\$	\$	s_3,634,126_
Add credits during year:	\$112,789	\$	\$	§ 112,789
Less debit charged during the year	\$	\$	\$	\$
Total Contribution In Aid of Construction	\$3,746,915	\$	\$	\$

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 272

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$1,293,019	\$	\$	s_1,293,019_
Debits during the year:	\$ 84,998	\$	\$	s84,998
Credits during the year	\$	\$	\$	\$
Total Accumulated Amortization of Contributions In Aid of Construction	\$1,378,017	\$	\$	\$\$

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 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 computations 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, assignments or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
(4)	(b)	(6)
Net income for the year	F-3(c)	\$ 353,124
Reconciling items for the year:		
Taxable income not reported on books:		
Deductions recorded on books not deducted for return: 50% of business meals		365
Federal income tax		179,745
Income recorded on books not included in return:		
Deduction on return not charged against book income:		
Federal tax net income		\$533,234
Computation of tax: $34\% \times $533,234 =$		\$ 181,300
Deduct previous fiscal year's overaccrua	al adjustment Tota	$1 \frac{(1,300)}{180,000}$
Unreconciled Difference	IULA	$ \begin{array}{r} $

WATER OPERATION SECTION

YEAR OF REPORT December 31, 2006

WATER LISTING OF SYSTEM GROUPS

List below the name of each reporting system and its certificate number. Those systems which have been consolidated
under the same tariff should be assigned a group number. Each individual system which has not been consolidated
should be assigned its own group number.

The water financial schedules (W-2 through W-10) should be filed for the group in total.

The water engineering schedules (W-11 through W-14) must be filed for each system in the group. All of the following water pages (W-2 through W-14) should be completed for each group and arranged

by group number.

SYSTEM NAME / COUNTY	CERTIFICATE NUMBER	GROUP NUMBER
Peoples Water Service Company of Florida, Inc.	543-W	WU 671
Escambia County		
		·

UTII	ITV	NA	ME:

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

Escambia

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	s 11,905,776
	Less: Nonused and Useful Plant (1)	· · · · · · · · · · · · · · · · · · ·	
108	Accumulated Depreciation	W-6(b)	6,009,941
110	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	3,746,915
252	Advances for Construction	F-20	
	Subtotal		§2,148,920
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ 1,378,017
	Subtotal		s_3,526,937
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
113	Working Capital Allowance (3)	1'-/	(27 (56)
	Other (Specify):		(37,456)
	Oulei (Specify).		
	WATER RATE BASE		\$ 3,489,481
	WATER OPERATING INCOME	W-3	\$ 303,612
	ACHIEVED RATE OF RETURN (Water Operating Income / Water R	tate Base)	8.70%

NOTES: (1) Estimate based on the methodology used in the last rate proceeding.

- (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.

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

Escambia

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
400	UTILITY OPERATING INCOME Operating Revenues	WO	c 2 256 707
469	Less: Guaranteed Revenue and AFPI	W-9 W-9	\$ 3,256,707
	Net Operating Revenues		\$ 3,256,707
401	Operating Expenses	W-10(a)	\$ 2,154,461
403	Depreciation Expense Less: Amortization of CIAC	W-6(a) W-8(a)	392,157 84,998
	2000. Tanionization of Circo	vv-o(a)	04,990
406	Net Depreciation Expense		\$ 307,159
406 407	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10 408.11	Taxes Other Than Income Utility Regulatory Assessment Fee Property Taxes		146,552
408.11	Payroll Taxes		112,616
408.13	Other Taxes and Licenses		49,235
400.13	Other rakes and Electises		5,001
408	Total Taxes Other Than Income		s 313,404
409.1	Income Taxes		179,871
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	·	\$ 2,954,895
	Utility Operating Income		\$301,812
	Add Back:		
469	Guaranteed Revenue (and AFPI)	W-9	\$
413	Income From Utility Plant Leased to Others		1,800
414	Gains (losses) From Disposition of Utility Property		
420	Allowance for Funds Used During Construction		
	Total Utility Operating Income		\$ 303,612

YEAR OF REPORT December 31, 2006

Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY:

UTILITY NAME:

Escambia

WATER UTILITY PLANT ACCOUNTS

CURRENT	YEAR	(f)	89		104,055	389,774			538,863				700,398	678,149	1,166,759	3,900,004	1,822,894	1,174,327	657,960	8/,51/	9/9	118,411	274,279	2,798	14,879		213,675	40,738			s 11,886,158
	RETIREMENTS	(e)	€5										3,300			12,020		39,208				7,238	13,424		575		40,564	3,931			\$ 120,260
I ACCOUNTS	ADDITIONS	(p)	€9			9,159							8,390	6,302	169,144	56,126	30,644	428,302	3,059			12,064	26,113		4,058		33,749	1,142			s 788,252
MATEN OTIETT TEAM ACCOUNTS	YEAR	(c)	\$		104,055	380,615			538,863	-			695,308	671,847	997,615	3,855,898	1,792,250	785,233	654,901	87,517	678	113,585	261,590	2,798	11,396		220,490	43,527			s 11,218,166
WAI	ACCOUNT NAME	(b)	Organization	Franchises	Land and Land Rights	Structures and Improvements	Collecting and Impounding Reservoirs	Lake, River and Other Intakes	Wells and Springs	Infiltration Galleries and Tunnels	Supply Mains	Power Generation Equipment	Pumping Equipment	Water Treatment Equipment	Distribution Reservoirs and Standpipes	Transmission and Distribution Mains	Services	Meters and Meter Installations	Hydrants	Backflow Prevention Devices	Other Plant Miscellaneous Equipment	Office Furniture and Equipment	Transportation Equipment	Stores Equipment	Tools, Shop and Garage Equipment	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Other Tangible Plant	TOTAL WATER PLANT
ACCT.	NO.	(a)	301	302	303	304	305	306	307	308	309	310	311	320	330	331	333	334	335	336	339	340	341	342	343	344	345	346	347	348	

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

W-4(a) GROUP

Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY:__

UTILITY NAME:

Escambia

						_		_		~																									
	3.	-	GENERAL	PLANT	(lp)	\$		80,08	200,007																118,411	274,279	2,798	14,879		213,675	40,738			\$ 945,396	
	4.	TRANSMISSION	DISTRIBUTION	PLANT	(g)	2			164,235									1,166,759	3,900,004	1,822,894	1,174,327	657,960	87,517											8,973,696	
	.3	WATED	TREATMENT	PLANT	(f)	2			22,384								678,149																	s 700,533	
ANT MATRIX	.2	SOURCE OF STIPPLY	AND PUMPING	PLANT	(e)	2		23,446	3,148			538,863				700,398																		1,265,855	
VATER UTILITY PLANT MATRIX	.1	:	INTANGIBLE	PLANT	(p)	\$																		678										\$	
WAT			CURRENT	YEAR	(c)	€2		104,055	389,774			538,863				700,398	678,149	1,166,759	3,900,004	1,822,894	1,174,327	657,960	87,517	678	118,411	274,279	2,798	14,879		213,675	40,738			11,886,158	
				ACCOUNT NAME	(p)	Organization	Franchises	Land and Land Rights	Structures and Improvements	Collecting and Impounding Reservoirs	Lake, River and Other Intakes	Wells and Springs	Infiltration Galleries and Tunnels	Supply Mains	Power Generation Equipment	Pumping Equipment	Water Treatment Equipment	Distribution Reservoirs and Standpipes	Transmission and Distribution Mains	Services	Meters and Meter Installations	Hydrants	Backflow Prevention Devices	Other Plant Miscellaneous Equipment	Office Furniture and Equipment	Transportation Equipment	Stores Equipment	Tools, Shop and Garage Equipment	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Other Tangible Plant	TOTAL WATER PLANT	
		-	ACCT.	NO.	(a)	301	302	303	304	305	306	307	308	309	310	311	320	330	331	333	334	335	336	339	340	341	342	343	344	345	346	347	348		

W-4(b) GROUP

SYSTEM NAME / COUNTY:

Escambia

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO.	ACCOUNT NAME	AVERAGE SERVICE LIFE IN	AVERAGE NET SALVAGE IN	DEPRECIATION RATE APPLIED IN PERCENT
(a)	(b)	YEARS	PERCENT	(100% - d)/c
304	Structures and Improvements	(c)	(d)	(e)
305	Collecting and Impounding Reservoirs	20 - 40		$_{5.0} - 2.5$
306	Lake, River and Other Intakes			
307	Wells and Springs	25		
308	Infiltration Galleries and Tunnels	25		4.0
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment	- OO		
320	Water Treatment Equipment	<u>5 - 20</u> 10 - 20		20.0 - 5.0
330	Distribution Reservoirs and Standpipes	15 & 50		10.0 - 5.0
331	Transmission and Distribution Mains	50		<u>6.7 & 2.0</u>
333	Services	25		2.0
334	Meters and Meter Installations	15		4.0
335	Hydrants	40		6.7
336	Backflow Prevention Devices	10		2.5
339	Other Plant Miscellaneous Equipment	20		10.0
340	Office Furniture and Equipment	4 & 10		5.0
341	Transportation Equipment	5		25.0 & 10.0
342	Stores Equipment	10		20.0
343	Tools, Shop and Garage Equipment	5		10.0
344	Laboratory Equipment	10		20.0
345	Power Operated Equipment	3 - 10		10.0
346	Communication Equipment	5		<u>33.333 - 10.0</u>
347	Miscellaneous Equipment	5 - 10		20.0
348	Other Tangible Plant			<u> 20.0 - 10.0</u>
Water Pla	ant Composite Depreciation Rate *		NONE	

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

YEAR OF REPORT December 31, 2006

Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY:

UTILITY NAME:

Escambia

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

	NILVI TO CICI TITLE	IS OF ENTINES IN WATEN ACCOMINEATED DEFINECIATION	A IAU UAI PUONO	ECIATION .	
ACCT		BALANCE			TOTAL
NO.	ACCOUNT NAME	AI BEGINNING OF YEAR	ACCRUALS	OTHER CREDITS *	CREDITS (d+e)
(a)	(b)	(c)	(p)	(e)	(D)
304	Structures and Improvements	\$ 202,261	\$ 10,495	€ 2	\$ 10,495 0
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	428.703	19,526		19,526 0
308	Infiltration Galleries and Tunnels				225
309	Supply Mains				0
310	Power Generation Equipment				
311	Pumping Equipment	465,434	34,648		34.648 0
320	Water Treatment Equipment	576,363	11,091		
330	Distribution Reservoirs and Standpipes	293,569	36,057		
331	Transmission and Distribution Mains	1,628,348	89,881		
333	Services	1,150,240	61,026		
334	Meters and Meter Installations	352,788	41,770		
335	Hydrants	257,919	16,769		16,769 0
336	Backflow Prevention Devices	74,001	571		
339	Other Plant Miscellaneous Equipment	678			0
340	Office Furniture and Equipment	45,414	13,054		13,054 0
341	Transportation Equipment	140,015	35,525		35,525 0
342	Stores Equipment	2,665	110		110
343	Tools, Shop and Garage Equipment	10,607			0
344	Laboratory Equipment				0
345	Power Operated Equipment	74,492	19,597		19,597 0
346	Communication Equipment	34,546	2,037		2,037 0
347	Miscellaneous Equipment				0
348	Other Tangible Plant				0
TOTAL \	TOTAL WATER ACCUMULATED DEPRECIATION	\$ 5,738,043	\$ 392,157	\$	\$ 392,157 0

* Specify nature of transaction Use () to denote reversal entries.

W-6(a) GROUP

YEAR OF REPORT December 31, 2006

Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY:

UTILITY NAME:

Escambia

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

(U		(g-h+i) (c+f-i)		\$ 21			448,229				3,300 496,782		329,626	12,020 1,706,209	1,	39,208 355,350	274,688	74,572	678		13,423 162,117		575 10,032			3,931 32,652			120,259 8 6,009,941
ELIMINAL CONT. D.		AND OTHER CHARGES	(i)																										∽
		SALVAGE AND INSURANCE	(h)	S																									\$
	TIM A VO	FLAN1 RETIRED	(g)	\$							3,300			12,020		39,208				7,238	13,423		575		40,564	3,931			\$ 120,259
		ACCOUNT NAME	(b)	Structures and Improvements	Collecting and Impounding Reservoirs	Lake, River and Other Intakes	Wells and Springs	Infiltration Galleries and Tunnels	Supply Mains	Power Generation Equipment	Pumping Equipment	Water Treatment Equipment	Distribution Reservoirs and Standpipes	Transmission and Distribution Mains	Services	Meters and Meter Installations	Hydrants	Backflow Prevention Devices	Other Plant Miscellaneous Equipment	Office Furniture and Equipment	Transportation Equipment	Stores Equipment	Tools, Shop and Garage Equipment	Laboratory Equipment	Power Operated Equipment	Communication Equipment	Miscellaneous Equipment	Other Tangible Plant	TOTAL WATER ACCUMULATED DEPRECIATION
	TOO	NO.	(a)	304	305	306	307	308	309	310	311	320	330	331	333	334	335	336	339	340	341	342	343	344	345	346	347	348	TOTAL W

W-6(b) GROUP

Peoples Water Service Company of Florida, Inc.

YEAR OF REPORT
December 31, 2006

SYSTEM NAME / COUNTY:

Escambia

CONTRIBUTIONS IN AID OF CONSTRUCTION ACCOUNT 271

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$_3,634,126
Add credits during year: Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 97 , 835
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	14,954
Total Credits		\$ 112,789
Less debits charged during the year (All debits charged during the year must be explained below)		so
Total Contributions In Aid of Construction		\$ 3,746,915

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:

Ul	II.	ITY	'Ν	AMI	Æ:
				TATAR.	••

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

Escambia

WATER 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)
5/8" 1" 2" 6"	68 12 3 1	\$	\$\frac{58,412}{16,848} \frac{11,145}{11,430}
Total Credits			\$ <u>97,835</u>

ACCUMULATED AMORTIZATION OF WATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION	WATER
(a)	(b)
Balance first of year	\$_1 , 293 , 019
Debits during the year: Accruals charged to Account 272 Other debits (specify):	\$ 84,998
Total debits	\$
Credits during the year (specify):	\$
Total credits	\$
Balance end of year	s1,378,017

W-8(a)	
GROUP	

UTII	ITV	NA	ME.

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

Escambia

WATER CIAC SCHEDULE "B"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE CASH OR PROPERTY (b)	AMOUNT (c)
Consumer Meters	Cash	_{\$13,983}
Wayne Avenue Reimbursement	Cash	971
	-	
	-	
	_	
	-	
	-	
	- l·	
Total Credits		\$ <u>14,954</u>

W-8(b)	
GROUP	

UTILITY NAME:	
----------------------	--

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

WATER OPERATING REVENUE

ACCT.		BEGINNING YEAR NO.	YEAR END NUMBER OF	
NO.	DESCRIPTION	CUSTOMERS *	CUSTOMERS	AMOUNT
(a)	(b)	(c)	(d)	(e)
(4)	Water Sales:		(4)	()
460	Unmetered Water Revenue	0	0	s 0
	Metered Water Revenue:			
461.1	Sales to Residential Customers	8,360	8,371	162,213
461.2	Sales to Commercial Customers	501	464	24,301
461.3	Sales to Industrial Customers			0
461.4	Sales to Public Authorities	27	27	4,115
461.5	Sales Multiple Family Dwellings	3,074	27 3,071	2,929,156
	Total Metered Sales	11,962	11,933	\$_3 , 119,785
	Fire Protection Revenue:			
462.1	Public Fire Protection			
462.2	Private Fire Protection	29	26	0
	Total Fire Protection Revenue	29	26	\$
464	Other Sales To Public Authorities	·		
465	Sales To Irrigation Customers	37	43	10,726
466	Sales For Resale			
467	Interdepartmental Sales			
	Total Water Sales	12,028	12,002	s 3,130,511
	Other Water Revenues:			
469	Guaranteed Revenues (Including Allowane	ce for Funds Prudently In	vested or AFPI)	\$
470				
471 Miscellaneous Service Revenues/Reconnects \$114,116 & Backflow			126,196	
472				
473	473 Interdepartmental Rents			
474	Other Water Revenues			
Total Other Water Revenues				s126,196
Total Water Operating Revenues			\$_3,256,707	

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

Peoples Water Service Company of Florida, Inc. December 31, 2006

YEAR OF REPORT

SYSTEM NAME / COUNTY:

Escambia

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 539,407	\$ 35,938	s 30,515
603	Salaries and Wages - Officers, Directors and Majority Stockholders	337,407		μ <u></u>
604	Employee Pensions and Benefits	142,898		***************************************
610	Purchased Water			
615	Purchased Power	158,686	158,686	
616	Fuel for Power Production		,	
618	Chemicals	34,281		
620	Materials and Supplies	288,573		14,571
631	Contractual Services-Engineering			
632	Contractual Services - Accounting	4,300		
633	Contractual Services - Legal	85,896		
634	Contractual Services - Mgt. Fees	506,974		
635	Contractual Services - Testing	16,903		
636	Contractual Services - Other	150,986		
641	Rental of Building/Real Property			
642	Rental of Equipment			
650	Transportation Expenses	42,573		
656	Insurance - Vehicle	27,556		
657	Insurance - General Liability	30,671		
658	Insurance - Workman's Comp.	23,068		
659	Insurance - Other	24,311		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission ExpOther			288888888888888888888888888888888888888
668	Water Resource Conservation Exp.			
670	Bad Debt Expense	18,558		
675	Miscellaneous Expenses	58,820		
	Total Water Utility Expenses	\$ 2,154,461	\$194 , 624	\$45,086

UTII	ITY	NΔ	ME-

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

Escambia

	w	ATER EXPENSE	ACCOUNT MATR	IX	
.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMIN. & GENERAL EXPENSES (k)
\$ 22,857	\$	\$49,827	\$	\$ 400,270	\$
34,281					142,898
64	39,472	8,369	203,759	22,338	4,300 85,896 506,974
16,903				150,986	
					42,573 27,556 30,671 23,068 24,311
					21,311
		5, 15, 15, 15, 15, 15, 15, 15, 15, 15, 1		18,558	58,820
§ 74,105	\$39,472	\$58 , 196	\$203 , 759	§ 592,152	\$947,067

UTILITY NAME: Peoples Water Service Company of Florida, Inc.

SYSTEM NAME / COUNTY:

Escambia

PUMPING AND PURCHASED WATER STATISTICS

	WATER PURCHASED FOR RESALE	FINISHED WATER PUMPED FROM WELLS	WATER USED FOR LINE FLUSHING, FIGHTING	TOTAL WATER PUMPED AND PURCHASED (Omit 000's)	WATER SOLD TO CUSTOMERS
MONTH	(Omit 000's)	(Omit 000's)	FIRES, ETC.	[(b)+(c)-(d)]	(Omit 000's)
(a)	(b)	(c)	(d)	(e)	(f)
January	0	74,429	10,971	63,458	52,145
February	0	67,931	7,834	60,097	58,873
March	0	80,696	8,149	72,547	51,297
April	0	93,081		84,508	68,792
May	0	90,840	8,573 7,063	83,777	79,175
June	0	106,202	10,637	95,565	75,095
July	0	104,445	7,613	96,832	87,615
August	0	88,639	8,026	80,613	79,553
September	0	79,253	6,265	72,988	81,475
October	0	82,940	7 , 375	75,565	59,085
November	0	73,737	5 , 862	67,875	64,049
December	0	73,903	7,882	66,021	63,838
Total for Year	. 0	1,016,096	96,250	919,846	820,992
If water is purchased for resale, indicate the following: Vendor Point of delivery					
If water is so	ld to other water utilitie	s for redistribution, lis	st names of such utilities b	pelow:	

SOURCE OF SUPPLY

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
East for each source of supply.			

W-11	
GROUP	
SYSTEM	

TITH	ITV	NA	MF:

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

Escambia

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

	Permitted Capacity of Plant (GPD):
	Location of measurement of capacity (i.e. Wellhead, Storage Tank):
	Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):
LIME TREATMENT	
	Unit rating (i.e., GPM, pounds
Manufacturer:	per gallon):
FILTRATION	
	Type and size of area:
 Manufacturer:	Pressure (in square feet):
 Manufacturer:	Gravity (in GPM/square feet):
Manufacturer: FILTRATION Manufacturer:	Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.): Unit rating (i.e., GPM, pounds per gallon): Type and size of area: Pressure (in square feet):

See Detail W-12(b) through W-12(f)

W-12 (a)
GROUP ____
SYSTEM ____

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

WELL SITE NO 3

ESCAMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Permitted Capacity of Plant (GPD):	1,440,000 GPD
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	WELLHEAD
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):	PRIMARY TREATMENT AND CORROSION CONTROL
LI	IME TREATMENT
Unit rating (i.e., GPM, pounds per gallon): 25.0 - 33.5 PPM	Manufacturer: CHENE LIME & CEMENT CO
	FILTRATION
Type and size of area: GRANULAR ACTIVATED	CARBON AND 12 FT x 12.75 FT AREA
Pressure (in square feet): .868 LB/SQ FT	Manufacturer: CALGON CARBON CORPORATION
Gravity (in GPM/square feet): N/A	Manufacturer: N/A

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

WELL SITE NO 4

ESACMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Permitted Capacity of Plant (GPD):		1,440,000 GPD	<u> </u>
Location of measurement of capacity (i.e. Wellhead, Storage Tank):		WELLHEAD	
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):		PRIMARY TREATME	NT AND CORROSION CONTROL
		LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): 25.0 - 33.5 PPM		Manufacturer:	CHENEY LIME & CEMENT CO
		FILTRATION	
Type and size of area: N/A			
Pressure (in square feet):	N/A	Manufacturer:	N/A
Gravity (in GPM/square feet):	N/A	Manufacturer:	N/A

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

WELL SITE NO 5

ESCAMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Permitted Capacity of Plant (GPD):	1,440,000 GPD	
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	WELLHEAD	·
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):	PRIMARY TREATM	MENT AND CORROSION CONTROL
LI	ME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): 25.0 - 33.5 PPM	Manufacturer:	CHENEY LIME & CEMENT CO
	FILTRATION	
Type and size of area: GRANULAR ACTIVATE	D CARBON AND 10	FT x 12.75 FT AREA
Pressure (in square feet): .868 LB/SQ FT	Manufacturer:	CALGON CARBON CORPORATION
Gravity (in GPM/square feet): N/A	Manufacturer:	N/A

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

WELL SITE NO 8

ESCAMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Permitted Capacity of Plant (GPD):	1,036,800 GPD	
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	WELLHEAD	·
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):	PRIMARY TREAT	MENT AND CORROSION CONTROL
	LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): 25.0 - 33.5 PPM	Manufacturer:	CHENEY LIME & CEMENT CO
	FILTRATION	
Type and size of area: N/A		
Pressure (in square feet): N/A	Manufacturer:	N/A
Gravity (in GPM/square feet): N/A	Manufacturer:	N/A

PEOPLES WATER SERVICE COMPANY OF FLORIDA INC

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

WELL SITE NO 9

ESCAMBIA COUNTY

WATER TREATMENT PLANT INFORMATION

Permitted Capacity of Plant (GPD):	1,440,000 GPD	
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	WELLHEAD	
Type of treatment (reverse osmosis, (sedimentation, chemical, aerated, etc.):	PRIMARY TREATM	TENT AND CORROSION CONTROL
Unit rating (i.e., GPM, pounds per gallon): 25.0 - 33.5 PPM	ME TREATMENT Manufacturer: FILTRATION	CHENEY LIME & CEMENT CO
Type and size of area: N/A Pressure (in square feet): N/A	Manufacturer:	N/A
Gravity (in GPM/square feet): N/A	Manufacturer:	N/A

UTII	ITV	NAME:	
UIL		TALENTAL .	

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residenti	al	1.0		
5/8"	Displacement	1.0	0.700	0.700
3/4"	Displacement	1.5	8,790	8,790
1"	Displacement	2.5	201	7.00
1 1/2"	Displacement or Turbine	5.0	304 95	760 475
2"	Displacement, Compound or Turbine	8.0	37	296
3"	Displacement	15.0	4	60
3"	Compound	16.0	4	
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	8	200
4"	Turbine	30.0		
6"	Displacement or Compound	50.0	22	1,100
6"	Turbine	62.5		1,100
8"	Compound	80.0		
8"	Turbine	90.0	4	360
10"	Compound	115.0	***************************************	
10"	Turbine	145.0		
12"	Turbine	215.0	***************************************	
		Total Water System M	eter Equivalents	12,041

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water 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 = (Total SFR gallons sold (Omit 000) / 365 days / 350 gallons per day)

ERC Calculation:

820,992,000 GAL SOLD/365 DAYS/350 GPD = 6,427 ERC

W-13	
GROUP	
SYSTEM	

IITII	ITV	NA	ME.

YEAR OF REPORT December 31, 2006

SYSTEM NAME / COUNTY:

Escambia	

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.		
1. Present ERC's * the system can efficiently serve19,419 * Based on NWFWD max gal/day		
2. Maximum number of ERCs * which can be served. 19,419		
3. Present system connection capacity (in ERCs *) using existing lines15,000 (guesstimate)		
4. Future connection capacity (in ERCs *) upon service area buildout. 25,000 (guesstimate)		
5. Estimated annual increase in ERCs * 200 (guesstimate)		
6. Is the utility required to have fire flow capacity? Yes If so, how much capacity is required? ISO Minimum		
7. Attach a description of the fire fighting facilities.		
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.		
9. When did the company last file a capacity analysis report with the DEP?N/A 10. If the present system does not meet the requirements of DEP rules: N/A a. Attach a description of the plant upgrade necessary to meet the DEP rules. N/A b. Have these plans been approved by DEP?N/A c. When will construction begin?N/A		
d. Attach plans for funding the required upgrading. N/A		
e. Is this system under any Consent Order with DEP? No		
11. Department of Environmental Protection ID# 1170527		
12. Water Management District Consumptive Use Permit # 830018		
a. Is the system in compliance with the requirements of the CUP?Yes		
b. If not, what are the utility's plans to gain compliance?N/A		

W-14 GROUP ____ SYSTEM ____

^{*} An ERC is determined based on the calculation on the bottom of Page W-13.

WASTEWATER

OPERATING

SECTION

Note:

This utility is a water only service; therefore, Pages S-1 through S-13 have been omitted from this report.

Reconciliation of Revenue to Regulatory Assessment Fee Revenue

Water Operations Class A & B

Company: Peoples Water Service Company of Florida, Inc. For the Year Ended December 31, 2006

(a)	(b)	(c)	(d)
	Gross Water Revenues Per	Gross Water Revenues Per	Difference
Accounts	Sch. W-9	RAF Return	(b) - (c)
a n			
Gross Revenue: Unmetered Water Revenues (460)	\$ 0	s 0	\$ 0
Chinocolog Water Revenues (100)	<u> </u>	<u> </u>	3
Total Metered Sales (461.1 - 461.5)	3,119,785	3,119,785	0
Total Fire Protection Revenue (462.1 - 462.2)	0	0	0
102.1 102.2)			
Other Sales to Public Authorities (464)	10,726	10,726	00
Sales to Irrigation Customers (465)	0	0	0
, ,			
Sales for Resale (466)	0	0	0
Interdepartmental Sales (467)	0	0	0
T 101 W P (100 47)	126 106	126 106	0
Total Other Water Revenues (469 - 474)	126,196	126,196	0
Total Water Operating Revenue	\$ 3,256,707	\$ 3,256,707	\$ 0
LESS: Expense for Purchased Water from FPSC-Regulated Utility	0	0	0
Net Water Operating Revenues	\$ 3,256,707	\$ 3,256,707	\$ 0

r 1	
HYN	lanations:
LAP	idilations.

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).