

CLASS "A" OR "B"

WATER and/or WASTEWATER UTILITIES

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

ANNUAL REPORT

OF

WU385-10-AR

Windstream Utilities Company

Exact Legal Name of Respondent

427-W

Certificate Numbers

Submitted To The

STATE OF FLORIDA



1001-0000 REGULATION

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1001-0000

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2010



Carlstedt, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

James L. Carlstedt, C.P.A.
Katherine U. Jackson, C.P.A.
Robert H. Jackson, C.P.A.
Cheryl T. Losee, C.P.A.
Robert C. Nixon, C.P.A.
Jeanette Sung, C.P.A.
Holly M. Towner, C.P.A.
James L. Wilson, C.P.A.

Independent Accountant's Compilation Report

March 23, 2011

To the Member
Windstream Utilities Company

We have compiled the balance sheet of Windstream Utilities Company as of December 31, 2010 and 2009, and the related statements of income and retaining earnings for the year ended December 31, 2010 included in the accompanying prescribed form. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Florida Public Service Commission.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with requirements prescribed by the Florida Public Service Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

These financial statements (including related disclosures) are presented in accordance with the requirements of the Florida Public Service Commission, which differ from accounting principles generally accepted in the United States of America. The report is intended solely for information and use of the Florida Public Service Commission and is not intended to be and should not be used by anyone other than this specified party.

CARLSTEDT, JACKSON, NIXON & WILSON

General Instructions

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (USOA).
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which will create a permanent record, such as by typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule of the page with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. Water and wastewater system pages should be grouped together by system and all pages in the water and wastewater sections should be numbered consecutively at the bottom of the page where noted. For example, if the water system pages total 50 pages, they should be grouped by system and numbered from 1 to 50.
11. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
12. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, should be filed with the annual report.
13. The report should be filled out in quadruplicate and the original and two copies returned by March 31 of the year following the date of the report. The report should be returned to:

**Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0873**

The fourth copy should be retained by the utility

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EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2010

I HEREBY CERTIFY, 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 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 report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

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

(Signature of the chief executive officer of the utility)

*

1. ()	2. ()	3. ()	4. ()
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N/A

(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, 2010

Windstream Utilities Company
 (Exact Name of Utility)

County: Marion

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

P.O. Box 4201

Ocala, Florida 34478-4201

Telephone: (352) 620-8290

e-Mail Address: N/A

WEB Site: N/A

Sunshine State One-Call of Florida, Inc. Member Number N/A

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

Robert C. Nixon, CPA

Carlstedt, 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:

3002 N E 10th Street

Ocala, Florida

Telephone: (352) 620-8290

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

Carlstedt, Jackson, Nixon and Wilson, CPA's

Date of original organization of the utility: 03/22/84

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.	Sharon Dlouhy Family Trust	60.0 %
2.	L.E. Dlouhy	40.0 %
3.		%
4.		%
5.		%
6.		%
7.		%
8.		%
9.		%
10.		%

YEAR OF REPORT December 31, 2010
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[illegible]

- E-3

UTILITY NAME: Windstream Utilities Company

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.**

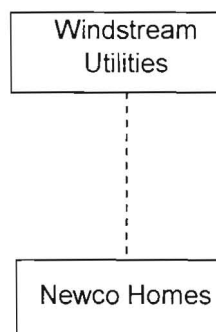
- (A) The Utility was organized March 22, 1984 to provide water service to the Windstream Development. The Utility has experienced customer growth from other developments since its organization.
- (B) Water service only.
- (C) The Utility's goals are to provide quality water service and earn a fair return on its investment in Plant in Service.
- (D) Water service only.
- (E) The projected growth rate cannot be determined due to the collapse of the real estate market.
- (F) None

UTILITY NAME: Windstream Utilities Company

PARENT / AFFILIATE ORGANIZATION CHART

Current as of 12/31/10

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).



The Utility has no parents or subsidiaries. The entities above are affiliated only through common ownership by the Utility's stockholder.

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2010
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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)
L.E. Dlouhy Lesli Poole	President	60 %	\$ 116,400
	Vice President	80 %	\$ 0
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$
		%	\$

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)
L.E. Dlouhy Lesli Poole	President	1	\$ None
	Vice President	1	\$ None
			\$
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2010

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.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Newco Homes	Field labor, plant operations, Construction contract negotiation and supervision, field repairs, maintenance, accounting, meter reading, billing.	\$ 102,000	Newco Homes 3002 NE 10th Street Ocala, Florida
LE Dlouhy	Office Building	17,808	3002 NE 10th Street Ocala, Florida

* 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: Windstream Utilities Company

YEAR OF REPORT December 31, 2010
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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.

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
L.E. Dlouhy	Development	Officer Officer	Newco Homes Windstream Utilities Corp
Lesli Poole	Officer	Officer	Windstream Utilities Corp

YEAR OF REPORT December 31, 2010
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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.

E-9

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT December 31, 2010
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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:

<ul style="list-style-type: none"> - management, legal and accounting services - computer services - engineering & construction services - repairing and servicing of equipment 	<ul style="list-style-type: none"> - 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)
Newco Homes	Field labor, plant operations, Construction contract negotiation and supervision, field repairs, maintenance, accounting, meter reading, billing.	1984 - Open	P	\$ 102,000
LE Dlouhy	Office rent	1984 - Open	p	17,808

YEAR OF REPORT
December 31, 2010

FINANCIAL SECTION

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2010

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ 2,490,358	\$ 2,469,019
108-110	Less: Accumulated Depreciation and Amortization	F-8	(917,879)	(827,420)
Net Plant			1,572,479	1,641,599
114-115	Utility Plant Acquisition Adjustments (Net)	F-7		
116*	Other Plant Adjustments (specify)			
Total Net Utility Plant			1,572,479	1,641,599
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9		
122	Less: Accumulated Depreciation and Amortization			
Net Nonutility Property				
123	Investment in Associated Companies	F-10		
124	Utility Investments	F-10		
125	Other Investments	F-10		
126-127	Special Funds	F-10		
Total Other Property and Investments				
CURRENT AND ACCRUED ASSETS				
131	Cash		127,031	167,632
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	46,886	52,984
145	Accounts Receivable from Associated Companies	F-12	134,037	134,008
146	Notes Receivable from Associated Companies	F-12		
151-153	Materials and Supplies			
161	Stores Expense			
162	Prepayments		1,250	1,250
171	Accrued Interest and Dividends Receivable			
172*	Rents Receivable			
173*	Accrued Utility Revenues			
174	Misc. Current and Accrued Assets	F-12	225	225
Total Current and Accrued Assets			309,429	356,099

* Not Applicable for Class B Utilities

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
December 31, 2010

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-13		
182	Extraordinary Property Losses	F-13		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185*	Temporary Facilities			
186	Misc. Deferred Debits	F-14		
187*	Research & Development Expenditures			
190	Accumulated Deferred Income Taxes			
Total Deferred Debits				
TOTAL ASSETS AND OTHER DEBITS			\$ 1,881,908	\$ 1,997,698

* Not Applicable for Class B Utilities

NOTES TO THE BALANCE SHEET

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

UTILITY NAME: Windstream Utilities Company

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ 1,000	\$ 1,000
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		20,400	20,400
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-16	336,307	102,602
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
Total Equity Capital			357,707	124,002
LONG TERM DEBT				
221	Bonds	F-15		
222*	Reacquire Bonds			
223	Advances from Associated Companies	F-17		
224	Other Long Term Debt	F-17	339,519	379,335
Total Long Term Debt			339,519	379,335
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		30,582	264,977
232	Notes Payable	F-18		
233	Accounts Payable to Associated Co.	F-18	141,509	176,236
234	Notes Payable to Associated Co.	F-18		
235	Customer Deposits		16,978	14,553
236	Accrued Taxes		13,231	12,095
237	Accrued Interest	F-19		
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-20	256	248
Total Current and Accrued Liabilities			202,556	468,109

* Not Applicable for Class B Utilities

UTILITY NAME: Windstream Utilities Company

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	F-13		
252	Advances for Construction	F-20	21,880	21,880
253	Other Deferred Credits	F-21		
255	Accumulated Deferred Investment Tax Credits			
Total Deferred Credits			21,880	21,880
OPERATING RESERVES				
261	Property Insurance Reserve			
262	Injuries and 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	1,469,745	1,463,225
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	(509,499)	(458,853)
Total Net C.I.A.C.			960,246	1,004,372
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation			
282	Accumulated Deferred Income Taxes - Liberalized Depreciation			
283	Accumulated Deferred Income Taxes - Other			
Total Accum. Deferred Income Taxes				
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ 1,881,908	\$ 1,997,698

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (d)	PREVIOUS YEAR (c)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ 552,389	\$ 539,407
469.530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			552,389	539,407
401	Operating Expenses	F-3(b)	390,280	435,838
403	Depreciation Expense	F-3(b)	101,308	90,460
	Less: Amortization of CIAC	F-22	(54,672)	(50,646)
Net Depreciation Expense			46,636	39,814
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	55,590	36,153
409	Current Income Taxes	W/S-3	6,432	877
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			498,938	512,682
Net Utility Operating Income			53,451	26,725
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)]			53,451	26,725

* 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)
\$ 539,407 N/A		N/A
539,407	-	-
435,838		
90,460 (50,646)		
39,814	-	-
36,153		
877		
512,682		
26,725	N/A	
-		
26,725		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)]			\$ 53,451	\$ 26,725
415	OTHER INCOME AND DEDUCTIONS Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income		1,891	759
421	Miscellaneous Nonutility Revenue		19,692	243,561
426	Miscellaneous Nonutility Expenses		(5,684)	(2,711)
Total Other Income and Deductions			15,899	241,609
408.20	TAXES APPLICABLE TO OTHER INCOME Taxes Other Than Income			
409.20	Income Taxes		5	2,300
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			5	2,300
427	INTEREST EXPENSE Interest Expense	F-19	38,874	32,328
428	Amortization of Debt Discount & Expense	F-13		
429	Amortization of Premium on Debt	F-13		
Total Interest Expense			38,874	32,328
433	EXTRAORDINARY ITEMS Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
Total Extraordinary Items				
NET INCOME			30,471	233,706

Explain Extraordinary Income:

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	\$ 2,489,358	N/A
	Less:			
	Nonused and Useful Plant (1)			
108.1	Accumulated Depreciation	F-8	(917,879)	
110.1	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22	(1,469,745)	
252	Advances for Construction	F-20	(21,880)	
Subtotal			79,854	
272	Add: Accumulated Amortization of Contributions in Aid of Construction	F-22	509,499	
Subtotal			589,353	
114	Plus or Minus: Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)		54,480	
	Other (Specify):			
	Non-used and useful advances		21,880	-
RATE BASE			\$ 665,713	\$ -
NET UTILITY OPERATING INCOME			\$ 26,725	\$ -
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			4.01 %	-- %

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	\$ 357,707	50.08 %	12.67 %	6.35 %
Preferred Stock		%	- %	%
Long Term Debt	339,519	47.54 %	8.75 %	4.1598 %
Customer Deposits	16,978	2.38 %	6.00 %	0.1428 %
Tax Credits - Zero Cost		%	- %	%
Tax Credits - Weighted Cost		%	- %	%
Deferred Income Taxes		%	- %	%
Other (Explain)		%	- %	%
		%	%	%
Total	\$ 714,204	100.00 %		10.65 %

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

(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: 12.67 %

Commission order approving Return on Equity: Leverage formula

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING THE YEAR

Current Commission approved AFUDC rate: None %

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 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	\$ 357,707	50.08 %	12.67 %	6.35 %
Preferred Stock		%	- %	%
Long Term Debt	339,519	47.54 %	8.75 %	4.1598 %
Customer Deposits	16,978	2.38 %	6.00 %	0.1428 %
Tax Credits - Zero Cost		%	- %	%
Tax Credits - Weighted Cost		%	- %	%
Deferred Income Taxes		%	- %	%
Other (Explain)		%	- %	%
		%	%	%
Total	\$ 714,204	100.00 %		10.65 %

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

(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: 12.67 %

Commission order approving Return on Equity: Leverage formula

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING THE YEAR

Current Commission approved AFUDC rate: None %

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 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	\$ 357,707	\$ -	\$ -	\$ -	\$ -	\$ 357,707
Preferred Stock	-					-
Long Term Debt	339,519					339,519
Customer Deposits	16,978					16,978
Tax Credits - Zero Cost						
Tax Credits - Weighted Cost						
Deferred Income Taxes						
Other (Explain):						
Notes Payable - Assoc Co	-					-
Total	\$ 714,204	\$ -	\$ -	\$ -	\$ -	\$ 714,204

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

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
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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	\$ 2,489,358		N/A	\$ 2,489,358
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	1,000			1,000
106	Completed Construction Not Classified				
Total Utility Plant		\$ 2,490,358		N/A	\$ 2,490,358

**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		N/A	N/A	N/A	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	\$ 827,420		N/A	\$ 827,420
Credits during year:				
Accruals charged:				
to Account 108.1 (1)	90,460			90,460
to Account 108.2 (2)				
to Account 108.3 (2)				
Other Accounts (Specify)				
Salvage				
Other Credits (specify) :				
Total credits	90,460			90,460
Debits during year:				
Book cost of plant retired		-		
Cost of removal				
Other debits (specify)				
Rounding	(1)			(1)
Total debits	(1)			(1)
Balance end of year	\$ 917,879	N/A	N/A	\$ 917,879

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: Windstream Utilities Company

YEAR OF REPORT
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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)
None	\$ -	-	\$ -
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)
None	\$ -	\$ -	\$ -	\$ -
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): None	\$ -
Total Special Deposits	\$ -
OTHER SPECIAL DEPOSITS (Account 133): None	\$ -
Total Other Special Deposits	\$ -

UTILITY NAME: Windstream Utilities Company

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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	\$ -	\$ -
Total Investment In Associated Companies		\$ -
UTILITY INVESTMENTS (Account 124): N/A	\$ -	\$ -
Total Utility Investments		\$ -
OTHER INVESTMENTS (Account 125): N/A	\$ -	\$ -
Total Other Investments		\$ -
SPECIAL FUNDS (Class A Utilities: Accounts 126 & 127; Class B Utilities: Account 127)) N/A		\$ -
Total Special Funds		\$ -

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):		
Water	\$ 26,889	
Wastewater		
Other		
Total Customer Accounts Receivable		\$ 26,889
OTHER ACCOUNTS RECEIVABLE (Acct. 142):		
Dlouhy Family LTD Partnership	\$ 19,997	
	-	
	-	
Total Other Accounts Receivable		\$ 19,997
NOTES RECEIVABLE (Acct. 144):		
	\$ -	
Total Notes Receivable		
Total Accounts and Notes Receivable		46,886
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Account 143):		
Balance First of Year	\$ -	
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		
Total Accounts and Notes Receivable - Net		\$ 46,886

UTILITY NAME: Windstream Utilities Company

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)
Stockholders	\$ 134,037
Total	\$ 134,037

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)
Utility deposit	\$ 225
Total	\$ 225

UTILITY NAME: Windstream Utilities Company

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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):		
_____	\$ _____ -	\$ _____ -

Total Unamortized Debt Discount and Expense	_____	_____
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	\$ _____ -

UTILITY NAME: Windstream Utilities Company

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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): None	\$ -	\$ -
Total Deferred Rate Case Expense	NONE	NONE
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2): None	\$ -	\$ -
Total Other Deferred Debits	NONE	NONE
REGULATORY ASSETS (Class A Utilities: Account 186.3): None	\$ -	\$ -
Total Regulatory Assets	\$ -	\$ -
TOTAL MISCELLANEOUS DEFERRED DEBITS	NONE	NONE

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
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**CAPITAL STOCK
ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (d)
COMMON STOCK		
Par or stated value per share	\$ 1.00	\$ 1.00
Shares authorized		1,000
Shares issued and outstanding		1,000
Total par value of stock issued	\$ -	\$ 1,000
Dividends declared per share for year	None	None
PREFERRED STOCK		
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)

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	\$ 102,602
439	Changes to account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: Rounding	(1)
	Total Credits	(1)
	Debits:	
	Total Debits	
435	Balance transferred from Income	233,706
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	336,307
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	
214	Total Appropriated Retained Earnings	
	Total Retained Earnings	\$ 336,307

Notes to Statement of Retained Earnings:

UTILITY NAME: Windstream Utilities Company

YEAR OF REPORT
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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)	
L.E. Dlouhy, 02/01/2007 - 02/01/2017	8.75 %	F	\$ 196,564
Sharon Dlouhy Family Trust, 02/01/2007 - 02/01/2017	8.75 %	F	142,955
Total			\$ 339,519

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

UTILITY NAME: Windstream Utilities Company

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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)	
NOTES PAYABLE (Account 232): N/A			\$ -
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total Account 232			\$ -
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			\$ -
	%		
N/A	%		
	%		
	%		
	%		
	%		
	%		
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 (a)	TOTAL (b)
Newco Homes	\$ 141,509
Total	\$ 141,509

UTILITY NAME: Windstream Utilities Company

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**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)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt					
L.E. Dlouhy		427.1	\$ 18,306	\$ 18,306	\$ -
Sharon Dlouhy Family Trust	-	427.1	13,314	13,314	
Total Account No. 237.1	-		31,620	31,620	-
ACCOUNT NO. 237.2 - Accrued Interest in Other Liabilities					
Customer Deposits		427.5	708	708	-
Total Account 237.2	-		708	708	
Total Account 237 (1)	\$ -		\$ 32,328	\$ 32,328	\$ -
INTEREST EXPENSED:					
Total accrual Account 237		237	\$ 32,328		
Less Capitalized Interest Portion of AFUDC:					
None					
Net Interest Expensed to Account No. 427 (2)			\$ 32,328		

(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: Windstream Utilities Company

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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
ACCOUNT 241

DESCRIPTION (a)	BALANCE END OF YEAR (b)
Withholding taxes payable	\$ 256
Total Miscellaneous Current and Accrued Liabilities	\$ 256

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)		
Bellewether	\$ 21,630			\$ -	\$ 21,630
Harvest Meadow	250				250
					-
					-
					-
					-
					-
					-
					-
					-
					-
Total	\$ 21,880		\$ -	\$ -	\$ 21,880

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

UTILITY NAME: Windstream Utilities Company

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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	\$ -	\$ -
Total Regulatory Liabilities	\$ -	\$ -
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2)		
N/A	\$ -	\$ -
Total Deferred Liabilities	\$ -	\$ -
TOTAL OTHER DEFERRED CREDITS	\$ -	\$ -

**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	\$ 1,463,225	N/A	N/A	\$ 1,463,225
Add credits during year:	6,520			6,520
Less debits charged during				-
Total Contributions In Aid of Construction	\$ 1,469,745	\$ -	\$ -	\$ 1,469,745

**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 _ _ _ _ _	\$ 458,853	N/A	N/A	\$ 458,853
Debits during year:	50,646			50,646
Credits during year (specify):				
Total Accumulated Amortization of Contributions In Aid of Construction	\$ 509,499			\$ 509,499

**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	F-3(c)	\$ 233,706
Reconciling items for the year:		
Taxable income not reported on the books:		
Meter fees	W-7	-
		-
Deductions recorded on books not deducted for return:		
Penalties		-
Miscellaneous non-utility	F-3c	-
Income recorded on books not included in return:		
Miscellaneous Non-utility Income		221,236
		-
Deduction on return not charged against book income:		
Book-Tax Depreciation difference	F-3a	-
Federal tax net income		\$ 12,470
Computation of tax:		
Net Income	\$ 12,470	
Effective State & Federal tax rate	25.48%	
Provision for income taxes	\$ 3,177	

WATER OPERATION SECTION

UTILITY NAME: Windstream Utilities Company

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 the a group number. Each individual system which as not been consolidated should be assigned its own group number.

The water financial schedules (W-1 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.

[illegible]

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
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SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ 2,489,358
	Less:		
	Nonused and Useful Plant (1)		
108.1	Accumulated Depreciation	W-6(b)	(917,879)
110.1	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	(1,469,745)
252	Advances for Construction	F-20	(21,880)
	Subtotal		79,854
	Add:		
272	Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	509,499
	Subtotal		589,353
	Plus or Minus:		
114	Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		54,480
	Other (Specify): Non-used & useful advances		21,880
	WATER RATE BASE		\$ 665,713
	UTILITY OPERATING INCOME	W-3	\$ 26,725
	ACHIEVED RATE OF RETURN (Water Operating Income/Water Rate Base)		4.01 %

- 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.

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	UTILITY OPERATING INCOME Operating Revenues	W-9	539,407
469	Less: Guaranteed Revenue and AFPI	W-9	
	Net Operating Revenues		539,407
401	Operating Expenses	W-10(a)	435,838
403	Depreciation Expense	W-6(a)	90,460
	Less: Amortization of CIAC	W-8(a)	(50,646)
	Net Depreciation Expense		39,814
406	Amortization of Utility Plant Acquisition Adjustment	F-7	
407	Amortization Expense (Other than CIAC)	F-8	
408.10	Taxes Other Than Income Utility Regulatory Assessment Fee		24,273
408.11	Property Taxes		1,246
408.12	Payroll Taxes		6,743
408.13	Other Taxes & Licenses		3,891
408	Total Taxes Other Than Income		36,153
409.1	Income Taxes		877
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		512,682
	Utility Operating Income		26,725
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	-
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		\$ 26,725

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
 December 31, 2010

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$ -	\$ -	\$ -	\$ -
302	Franchises				
303	Land and Land Rights	54,085			54,085
304	Structure and Improvements	40,803			40,803
305	Collecting and Impounding Reservoirs	28,731			28,731
306	Lake, River and Other Intakes				
307	Wells and Springs	239,738	9,695		249,433
308	Infiltration Galleries and Tunnels				
309	Supply Mains	15,971			15,971
310	Power Generation Equipment	30,906			30,906
311	Pumping Equipment	93,920			93,920
320	Water Treatment Equipment	132,517			132,517
330	Distribution Reservoirs and Standpipes	437,987			437,987
331	Transmission and Distribution Mains	740,483			740,483
333	Services	88,635			88,635
334	Meters and Meter Installations	372,121	605		372,726
335	Hydrants	73,092	3,439		76,531
336	Backflow Prevention Devices	2,050			2,050
339	Other Plant / Miscellaneous Equipment	1,038			1,038
340	Office Furniture and Equipment	62,119	2,703		64,822
341	Transportation Equipment	9,069			9,069
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	409			409
344	Laboratory Equipment				
345	Power Operated Equipment	926	2,000		2,926
346	Communication Equipment	40,561	2,897		43,458
347	Miscellaneous Equipment	1,858			1,858
348	Other Tangible Plant	1,000			1,000
TOTAL WATER PLANT		\$ 2,468,019	\$ 21,339	\$ -	\$ 2,489,358

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

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
 December 31, 2010

WATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization		\$ -				
302	Franchises						
303	Land and Land Rights	54,085		\$ -	\$ 54,085	\$ -	\$ -
304	Structure and Improvements	40,803			40,803		
305	Collecting and Impounding Reservoirs	28,731		28,731			
306	Lake, River and Other Intakes						
307	Wells and Springs	249,433		249,433			
308	Infiltration Galleries and Tunnels						
309	Supply Mains	15,971		15,971			
310	Power Generation Equipment	30,906		30,906			
311	Pumping Equipment	93,920		93,920			
320	Water Treatment Equipment	132,517			132,517		
330	Distribution Reservoirs and Standpipes	437,987				437,987	
331	Transmission and Distribution Mains	740,483				740,483	
333	Services	88,635				88,635	
334	Meters and Meter Installations	372,726				372,726	
335	Hydrants	76,531				76,531	
336	Backflow Prevention Devices	2,050				2,050	
339	Other Plant / Miscellaneous Equipment	1,038				1,038	
340	Office Furniture and Equipment	64,822					64,822
341	Transportation Equipment	9,069					9,069
342	Stores Equipment						
343	Tools, Shop and Garage Equipment	409					409
344	Laboratory Equipment						
345	Power Operated Equipment	2,926					2,926
346	Communication Equipment	43,458					43,458
347	Miscellaneous Equipment	1,858					1,858
348	Other Tangible Plant	1,000					1,000
	TOTAL WATER PLANT	\$ 2,489,358	\$ -	\$ 418,961	\$ 227,405	\$ 1,719,450	\$ 123,542

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
December 31, 2010

BASIS FOR WATER 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)
301	Organization		%	%
302	Franchises		%	%
304	Structure and Improvements	28.00	%	3.57 %
305	Collecting and Impounding Reservoirs	28.00	%	3.57 %
306	Lake, River and Other Intakes		%	%
307	Wells and Springs	27.00	%	3.70 %
308	Infiltration Galleries and Tunnels		%	%
309	Supply Mains	35.00	%	2.86 %
310	Power Generation Equipment	20.00	%	5.00 %
311	Pumping Equipment	17.00	%	5.88 %
320	Water Treatment Equipment	7.00	%	14.29 %
330	Distribution Reservoirs and Standpipes	33.00	%	3.03 %
331	Transmission and Distribution Mains	38.00	%	2.63 %
333	Services	35.00	%	2.86 %
334	Meters and Meter Installations	17.00	%	5.88 %
335	Hydrants	45.00	%	2.22 %
336	Backflow Prevention Devices	15.00	%	6.67 %
339	Other Plant / Miscellaneous Equipment	25.00	%	4.00 %
340	Office Furniture and Equipment	15.00	%	6.67 %
341	Transportation Equipment	6.00	%	16.67 %
342	Stores Equipment		%	%
343	Tools, Shop and Garage Equipment	15.00	%	6.67 %
344	Laboratory Equipment		%	%
345	Power Operated Equipment	12.00	%	8.33 %
346	Communication Equipment	10.00	%	10.00 %
347	Miscellaneous Equipment	10.00	%	10.00 %
348	Other Tangible Plant	10.00	%	10.00 %
Water 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.

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
December 31, 2010

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e) (1)	TOTAL CREDITS (d + e) (f)
301	Organization	\$ -	\$ -	\$ -	\$ -
302	Franchises				
304	Structure and Improvements	22,795	1,457		1,457
305	Collecting and Impounding Reservoirs	20,774	1,026		1,026
306	Lake, River and Other Intakes				
307	Wells and Springs	76,440	9,050		9,050
308	Infiltration Galleries and Tunnels				
309	Supply Mains	3,655	457		457
310	Power Generation Equipment	10,368	1,546		1,546
311	Pumping Equipment	68,110	5,523		5,523
320	Water Treatment Equipment	132,517	0		
330	Distribution Reservoirs and Standpipes	89,296	13,271		13,271
331	Transmission and Distribution	220,187	19,475	(1)	19,474
333	Services	17,731	2,535		2,535
334	Meters and Meter Installations	81,057	21,898		21,898
335	Hydrants	9,646	1,661		1,661
336	Backflow Prevention Devices	912	137		137
339	Other Plant / Miscellaneous Equipment	113	41		41
340	Office Furniture and Equipment	47,072	7,849		7,849
341	Transportation Equipment	9,069	0		
342	Stores Equipment				
343	Tools, Shop and Garage Equipment	325	27		27
344	Laboratory Equipment				
345	Power Operated Equipment	888	122		122
346	Communication Equipment	14,028	4,200		4,200
347	Miscellaneous Equipment	1,437	185		185
348	Other Tangible Plant	1,000	0		
TOTAL WATER ACCUMULATED DEPRECIATION		\$ 827,420	\$ 90,460	\$ (1)	\$ 90,459

* Specify nature of transaction.
 Use () to denote reversal entries.
 Note: (1) Rounding

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
 December 31, 2010

ANALYSIS OF ENTRIES IN WATER 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) (j)	BALANCE AT END OF YEAR (c+f-k) (k)
301	Organization	\$ -	\$ -	\$ -	\$ -	\$ -
302	Franchises					
304	Structure and Improvements					24,252
305	Collecting and Impounding Reservoirs					21,800
306	Lake, River and Other Intakes					
307	Wells and Springs					85,490
308	Infiltration Galleries and Tunnels					
309	Supply Mains					4,112
310	Power Generation Equipment					11,914
311	Pumping Equipment					73,633
320	Water Treatment Equipment					132,517
330	Distribution Reservoirs and Standpipes					102,567
331	Transmission and Distribution					239,661
333	Services					20,266
334	Meters and Meter Installations					102,955
335	Hydrants					11,307
336	Backflow Prevention Devices					1,049
339	Other Plant / Miscellaneous Equipment					154
340	Office Furniture and Equipment					54,921
341	Transportation Equipment					9,069
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					352
344	Laboratory Equipment					
345	Power Operated Equipment					1,010
346	Communication Equipment					18,228
347	Miscellaneous Equipment					1,622
348	Other Tangible Plant					1,000
TOTAL WATER ACCUMULATED DEPRECIATION		\$ -	\$ -	\$ -	\$ -	\$ 917,879

YEAR OF REPORT
December 31, 2010

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance First of Year		\$ 1,463,225
Add credits during year:		
Contributions Received From Capacity, Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ 3,020
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	\$ 3,500
Total Credits		\$ 6,520
Less debits charged during the year (All debits charged during the year must be explained below)		
Total Contributions In Aid of Construction		\$ 1,469,745

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

[illegible]

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
December 31, 2010

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)
Capacity fees	4	\$ 515	\$ 2,060
Meter fees	4	165	660
Meter fees	1	300	300
			-
Total Credits			\$ 3,020

ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
ACCOUNT 272

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 458,853
Debits during year:	
Accruals charged to Account	50,646
Other Debits (specify):	
Total debits	50,646
Credits during year (specify):	
Total credits	
Balance end of year	\$ 509,499

<p>YEAR OF REPORT December 31, 2010</p>
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ADDITIONS TO CONTRIBUTION IN AID OF CONSTRUCTION RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS FROM WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

DESCRIPTION (a)	INDICATE "CASH" OR "PROPERTY" (b)	WATER (c)
Majestic Oak Home Owners Association	Property	3,500
Total Credits		\$ 3,500

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
 December 31, 2010

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
460	Water Sales: Unmetered Water Revenue			
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers	1,141	1,239	\$ 477,027
461.2	Metered Sales to Commercial Customers	119	62	39,433
461.3	Metered Sales to Industrial Customers			
461.4	Metered Sales to Public Authorities			
461.5	Metered Sales to Multiple Family Dwellings			
	Total Metered Sales	1,260	1,301	516,460
462.1	Fire Protection Revenue: Public Fire Protection			
462.2	Private Fire Protection	4	4	2,240
	Total Fire Protection Revenue	4	4	2,240
464	Other Sales to Public Authorities			
465	Sales to Irrigation Customers			
466	Sales for Resale			
467	Interdepartmental Sales			
	Total Water Sales	1,264	1,305	518,700
469	Other Water Revenues: Guaranteed Revenues			
470	Forfeited Discounts			
471	Miscellaneous Service Revenues			20,707
472	Rents From Water Property			
473	Interdepartmental Rents			
474	Other Water Revenues			
	Total Other Water Revenues			\$ 20,707
	Total Water Operating Revenues			\$ 539,407

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

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
 December 31, 2010

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	\$ -	\$ -	\$ -
603	Salaries and Wages - Officers, Directors and Majority Stockholders	116,400		
604	Employee Pensions and Benefits			
610	Purchased Water			
615	Purchased Power	42,012		
616	Fuel for Power Production	494		
618	Chemicals	4,793		
620	Materials and Supplies	8,200		305
631	Contractual Services - Engineering	75		
632	Contractual Services - Accounting	9,706		
633	Contractual Services - Legal	870		
634	Contractual Services - Mgt. Fees	102,000		
635	Contractual Services - Testing	2,615		
636	Contractual Services - Other	60,363		938
641	Rental of Building/Real Property	22,258		
642	Rental of Equipment	729		
650	Transportation Expense	7,877		
656	Insurance - Vehicle			
657	Insurance - General Liability	3,779		
658	Insurance - Workmens Comp.			
659	Insurance - Other	10,367		
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Exp.-Other			
670	Bad Debt Expense	798		
675	Miscellaneous Expenses	42,502		
Total Water Utility Expenses		\$ 435,838		\$ 1,243

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
December 31, 2010

WATER EXPENSE ACCOUNT MATRIX

.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)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
					116,400
42,012					
494					
4,793					
	91		3,329	822	3,653
					75
					9,706
					870
		102,000			
2,615					
19,250			2,032	31,914	6,229
	4,450				17,808
					729
					7,877
					3,779
					10,367
				798	
		30	1,000	613	40,859
\$ 69,164	\$ 4,541	\$ 102,030	\$ 6,361	\$ 34,147	\$ 218,352

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
 December 31, 2010

PUMPING AND PURCHASED WATER STATISTICS

MONTH #NAME?	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January		13,222		13,222	12,788
February		9,939		9,939	9,821
March		13,893		13,893	9,765
April		23,441		23,441	17,077
May		25,416		25,416	19,214
June		22,577		22,577	24,222
July		24,663		24,663	18,605
August		18,591		18,591	24,438
September		23,910		23,910	17,218
October		25,293		25,293	23,766
November		21,794		21,794	24,060
December		16,641		16,641	18,840
Total for year	N/A	239,380	N/A	239,380	219,814

If water is purchased for resale, indicate the following:

Vendor N/A

Point of deliver N/A

If Water is sold to other water utilities for redistribution, list names of such utilities below:

N/A

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE
Windstream & Carriage Hills	.010 mgd	.010 mgd	Aquifer
Windstream & Carriage Hills	.057 mgd	.057 mgd	Aquifer
Majestic Oaks	.500 mgd	.500 mgd	Aquifer
Majestic Oaks	.690 mgd	.690 mgd	Aquifer
Sun Country Estate/Paddock Downs	.154 mgd	.154 mgd	Aquifer

UTILITY NAME: Windstream Utilities Company
SYSTEM NAME / COUNTY: Windstream Utilities/Marion

YEAR OF REPORT
December 31, 2010

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD): 144,000 gpd (Windstream)

Location of measurement of capacity
(i.e. Wellhead, Storage Tank): Wellhead

Type of treatment (reverse osmosis,
sedimentation, chemical, aerated, etc): Chlorination

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon): N/A Manufacturer N/A

FILTRATION

Type and size of area:

Pressure (in square feet): N/A Manufacturer N/A

Gravity (in GPM/square feet): N/A Manufacturer N/A

UTILITY NAME: Windstream Utilities Company
SYSTEM NAME / COUNTY: Windstream Utilities/Marion

YEAR OF REPORT
December 31, 2010

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD): 384,000 gpd (Majestic Oaks)

Location of measurement of capacity
(i.e. Wellhead, Storage Tank): Wellhead

Type of treatment (reverse osmosis,
sedimentation, chemical, aerated, etc): Chlorination

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon): N/A Manufacturer N/A

FILTRATION

Type and size of area:

Pressure (in square feet): N/A Manufacturer N/A

Gravity (in GPM/square feet): N/A Manufacturer N/A

UTILITY NAME: Windstream Utilities Company
SYSTEM NAME / COUNTY: Windstream Utilities/Marion

YEAR OF REPORT
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WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD): 100,000 gpd (Sun Country/PaddockDowns)

Location of measurement of capacity
(i.e. Wellhead, Storage Tank): Wellhead

Type of treatment (reverse osmosis,
sedimentation, chemical, aerated, etc): Chlorination

LIME TREATMENT

Unit rating (i.e., GPM, pounds
per gallon): N/A Manufacturer N/A

FILTRATION

Type and size of area:

Pressure (in square feet): N/A Manufacturer N/A

Gravity (in GPM/square feet): N/A Manufacturer N/A

UTILITY NAME: Windstream Utilities Company
 SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
 December 31, 2010

CALCULATION OF THE WATER 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	1,239	1,239
5/8"	Displacement	1.0	-	
3/4"	Displacement	1.5	2	3
1"	Displacement	2.5	52	130
1 1/2"	Displacement or Turbine	5.0	5	25
2"	Displacement, Compound or Turbine	8.0	3	24
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
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 Water System Meter Equivalents				1,421

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:

- 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.
- If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$$

ERC Calculation:

$$\begin{array}{rcl}
 ERC = & 219,814 & \text{gallons, divided by} \\
 & 350 & \text{gallons per day} \\
 & \underline{365} & \text{days} \\
 & 1,720.7 & \text{ERC's}
 \end{array}$$

UTILITY NAME: Windstream Utilities Company
SYSTEM NAME / COUNTY: Windstream Utilities / Marion

YEAR OF REPORT
December 31, 2010

OTHER WATER SYSTEM INFORMATION

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

1. Present ERC's * that system can efficiently serve.	<u>1700</u>
2. Maximum number of ERC's * which can be served.	<u>1700</u>
3. Present system connection capacity (in ERC's *) using existing lines.	<u>1700</u>
4. Future system connection capacity (in ERC's *) upon service area buildout.	<u>Approximatly 2500</u>
5. Estimated annual increase in ERC's *.	<u>Approximatly 100 over next three years</u>
6. Is the utility required to have fire flow capacity? If so, how much capacity is required?	<u>Yes - Marion County</u> <u>Minimum Marion County requirement: 500gpm x 2hrs</u>
7. Attach a description of the fire fighting facilities.	<u>High capacity pumping; Hydrants in some subdivisions</u>
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.	<u>None</u>
9. When did the company last file a capacity analysis report with the DEP?	<u>None</u>
10. 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.	<u>N/A</u>
b. Have these plans been approved by DEP?	<u>N/A</u>
c. When will construction be	<u>N/A</u>
d. Attach plans for funding the required upgrading.	
e. Is this system under any Consent Order of the DEP?	<u>No</u>
11. Department of Environmental Protection ID #	<u>Windstream: 2-083-0045N; Majestic Oaks: 209360.01; Sun Country: 206619</u>
12. Water Management District Consumptive Use Permit #	<u>Windstream:3424645; Majestic Oaks:6424678; Sun Country:6424618</u>
a. Is the system in compliance with the requirements of the CUP?	<u>Yes</u>
b. If not, what are the utility's plans to gain compliance?	<u>N/A</u>

* 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: Windstream Utilities Company

For the Year Ended December 31, 2010

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues per Sch. F-3	Gross Water Revenues per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ -	\$ -	\$ -
Total Metered Sales ((461.1 - 461.5)	516,460	516,325	135
Total Fire Protection Revenue (462.1 - 462.2)	2,240	2,240	-
Other Sales to Public Authorities (464)	-	-	-
Sales to Irrigation Customers (465)	-	-	-
Sales for Resale (466)	-	-	-
Interdepartmental Sales (467)	-	-	-
Total Other Water Revenues (469 - 474)	20,707	20,707	-
Total Water Operating Revenue	\$ 539,407	\$ 539,272	\$ 135
LESS: Expense for Purchased Water from FPSC-Regulated Utility	-	-	-
Net Water Operating Revenues	\$ 539,407	\$ 539,272	\$ 135

Explanations:

Amended return to be filed.

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).