

# CLASS "A" AND "B"

WATER and/or WASTEWATER UTILITIES

## CONSOLIDATED ANNUAL REPORT OF

Aloha Utilities, Inc.

Exact Legal Name of Respondent

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DIVISION OF  
WATER AND SEWER  
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APR 29 1999

Florida Public Service Commission  
Division of Water and Wastewater

FOR THE  
YEAR ENDED DECEMBER 31, 1998

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

JAMES L. CARLSTEDT, C.P.A.  
JOHN H. CRONIN, JR., C.P.A.  
ERIC M. DOAN, C.P.A.  
ROBERT H. JACKSON, C.P.A.  
ELIZABETH A. MAY, C.P.A.  
BRENDA W. McBARRON, C.P.A.  
ROBERT C. NIXON, C.P.A.  
HOLLY M. TOWNER, C.P.A.  
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April 27, 1999

Officers and Directors  
Aloha Utilities, Inc.

We have compiled the 1998 Annual Report of Aloha Utilities, Inc. in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

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

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

## 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 Sewer Utilities.
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. 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 Sewer  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

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Water Operation Section					
Reporting System			Seven Springs		
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W-1	Schedule of Year End Rate Base	19	W-8	Analysis of Entries in Water	
W-2	Water Operating Statement	20		Accumulated Depreciation	27
W-3	Utility Plant Accounts	21	W-9	Water Utility Expense Accounts	29
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\* If more than two reporting systems are included, attach additional Water Table of Contents pages.

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S-6	Additions to CIAC Received From All Developer or Contractors Agreements	8	S-14	Meters and Calculation of Meter Equivalents, Calculation of Wastewater System Equivalents
S-7	Basis for Wastewater Depreciation			

Wastewater Operation Section				
Reporting System			Seven Springs	
Sch. No.	Schedule	Page No.	Sch. No.	Schedule
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S-1	Schedule of Year End Rate Base	19	S-8	Analysis of Entries in Wastewater Accumulated Depreciation
S-2	Wastewater Operating Statement	20	S-9	Wastewater Utility Expense Accounts
S-3	Utility Plant Accounts	21	S-10	Wastewater Operating Revenue
S-4	Contributions in Aid of Construction	23	S-11	Wastewater System Information, Service Connections
S-5	Additions to CIAC Received From Capacity, Main Extension and Customer Connection Charges	24	S-12	Collection Mains, Force Mains
S-5	Accum. Amortization of CIAC	24	S-13	Treatment Plant, Other Wastewater System Information
S-6	Additions to CIAC Received From All Developer or Contractors Agreements	25	S-14	Meters and Calculation of Meter Equivalents, Calculation of Wastewater System Equivalents
S-7	Basis for Wastewater Depreciation			

\* If more than two reporting systems are included, attach additional Wastewater Table of Contents pages.

**EXECUTIVE**

**SUMMARY**

# CERTIFICATION OF ANNUAL REPORT

**YEAR OF REPORT**  
**December 31, 1998**

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

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

- |                     |                  |  |
|---------------------|------------------|--|
| <b>YES</b><br>( X ) | <b>NO</b><br>( ) | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.   |
| <b>YES</b><br>( X ) | <b>NO</b><br>( ) | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.   |
| <b>YES</b><br>( X ) | <b>NO</b><br>( ) | 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.  |
| <b>YES</b><br>( X ) | <b>NO</b><br>( ) | 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.<br>( X ) | 2.<br>( X ) | 3.<br>( X ) | 4.<br>( X ) |
|-------------|-------------|-------------|-------------|

  
(signature of the chief executive officer of the utility)

- |           |           |           |           |
|-----------|-----------|-----------|-----------|
| 1.<br>( ) | 2.<br>( ) | 3.<br>( ) | 4.<br>( ) |
|-----------|-----------|-----------|-----------|

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

Aloha Utilities, Inc.

County: Pasco

(Exact Name of Utility)

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

2514 Aloha Place  
Holiday, Florida 34691

Telephone: ( 727 ) 937-4275

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

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

Telephone: ( 727 ) 791-4020

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

2514 Aloha Place  
Holiday, Florida 34691

Telephone: ( 727 ) 937-4275

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

Cronin, Nixon, Jackson and Wilson, CPA's

Date of original organization of the utility: 3 / 10 / 70

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. Lynnda Speer	62.5	%
2. Estlon Pippin	12.5	%
3. Joann Pippin	25.0	%
4.		%
5.		%
6.		%
7.		%
8.		%
9.		%
10.		%

UTILITY NAME: Aloha Utilities, Inc.

NAME OF COMPANY REPRESENTATIVE (1)(2)	TITLE OR POSITION	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Robert M. C. Rose	Attorney	Rose, Sundstrom & Bentley	Legal
F. Marshall Deterding	Attorney	Rose, Sundstrom & Bentley	Legal
John H. Cronin, Jr	CPA	Cronin, Jackson, Nixon & Wilson, CPA's	Accounting
Robert C. Nixon	CPA	Cronin, Jackson, Nixon & Wilson, CPA's	Rates and Accounting

- E-3

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

**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) Aloha Utilities, Inc. began operations as a water and sewer utility servicing the Aloha Gardens sub-division located in Holiday, Florida, west of U.S. Highway 19. In subsequent years, as the Holiday area expanded, the utility extended its service area to the east of U.S. Highway 19.
- (B) The Company provides water and sewer service to customers in its certificated area.
- (C) The primary goal of the Company is to continue rendering quality service to its existing customers while preparing for future growth to serve the needs of prospective customers.
- (D) The Company operates two distinct service areas which are physically divided by U.S. Highway 19, the major north/south highway through Pinellas and Pasco Counties.
- (E) Projected growth is in the service area located east of U.S. Highway 19, referred to as the Seven Springs area, since the Aloha Gardens system is built out. Approximately 350 new connections are expected annually.
- (F) On March 9, 1999, the Company entered into an Amended and Restated Consent Final Agreement with the DEP. The Agreement requires expansion of Seven Springs Wastewater Treatment Plant by .400 mgd, with Class I reliability. Also, the Company's existing reuse force main will be extended approximately 3 miles through its service area to a golf course. On March 23, 1999, Aloha received a permit for construction of these facilities. The estimated cost of this project, net of a grant from SWFWMD, is \$5.3 million. Construction will begin as soon as financing is secured. Aloha intends to file a rate case by the end of 1999 to recover these costs.

UTILITY NAME: Aloha Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

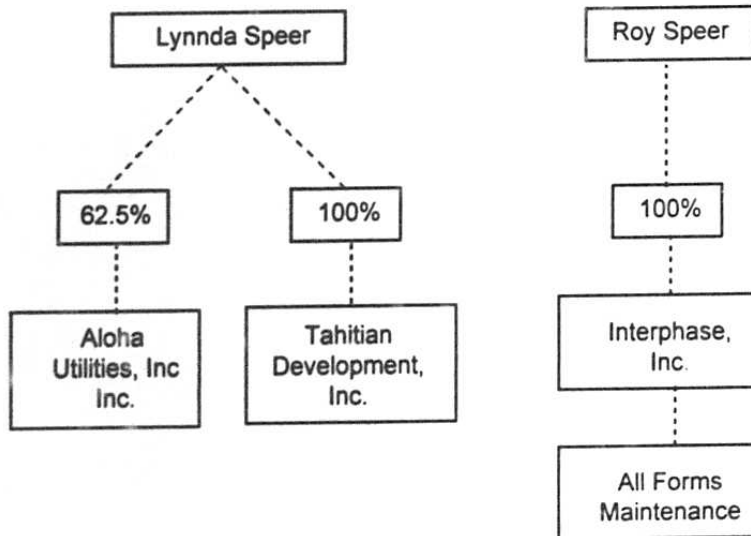
**PARENT / AFFILIATE ORGANIZATION CHART**  
Current as of 12/31/96

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).

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

Stockholder:

Ownership %  
in entity shown  
below:



Note: Roy and Lynnda Speer are husband and wife.



UTILITY NAME: Aloha Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**COMPENSATION OF OFFICERS**

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Lynnda Speer	President	20	\$ 65,488
Stephen G. Watford	Vice President	100	\$ 112,108
Yvonne Haller	Secretary/Treasurer	100	\$ 50,005
			\$
			\$
			\$
			\$
			\$
			\$
			\$

**COMPENSATION OF DIRECTORS**

NAME (a)	TITLE (b)	NUMBER OF DIRECTORS MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
Lynnda Speer	Director	1	\$ None
Stephen G. Watford	Director	1	\$ None
Yvonne Haller	Director	1	\$ None
			\$
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Aloha Utilities, Inc.

**YEAR OF REPORT**  
December 31, 1998

**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)
None		\$	

\* 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:** Aloha Utilities, Inc.

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.

E-8

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

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

UTILITY NAME: Aloha Utilities, Inc.

### BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

1. Enter in this part all transactions involving services and products received or provided.

2. Below are some types of transactions to include:

- |   |  |
|---|--|
| - management, legal and accounting services | - material and supplies furnished                |
| - computer services                         | - leasing of structures, land and equipment      |
| - engineering & construction services       | - rental transactions                            |
| - repairing and servicing of equipment      | - 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)
Interphase, Inc.	Data processing and billing	3/1/96 - Open	P	\$ 86,362
Interphase, Inc.	Rental office	Open	P	17,479
Interphase, Inc.	Water purchased	Open	P	73,121
Tahitian Development, Inc	Water purchased	Open	P	39,925
All Forms Maintenance	Security guard	Open	P	16,627
	Maintenance services	Open	P	47,309

**BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

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

1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.
2. Below are examples of some types of transactions to include:
  - purchase, sale or transfer of equipment.
  - purchase, sale or transfer of land and structures.
  - purchase, sale or transfer of securities.
  - noncash transfers of assets.
  - noncash dividends other than stock dividends.
  - writeoff of bad debts or loans.
3. The columnar instructions follow:
  - (a) Enter name of related party or company.
  - (b) Describe briefly the type of assets purchased, sold or transferred.
  - (c) Enter the total received or paid. Indicate purchase with "P" and sale with "S".
  - (d) Enter the net book value for each item reported.
  - (e) Enter the net profit or loss for each item (column (c) - column (d)).
  - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
None		\$	\$	\$	\$

UTILITY NAME: Aloha Utilities, Inc.

**COMPOSITE STATISTICS FOR ALL  
PRIVATELY OWNED WATER AND SEWER UTILITIES UNDER AGENCY JURISDICTION**

DESCRIPTION (a)	WATER (b)	SEWER (c)
<b>PLANT (Intrastate Only)(000's Omitted):</b>		
Plant in Service _____	\$ 8,538	\$ 15,164
Construction Work in Progress _____	40	315
Plant Acquisition Adjustment _____		
Plant Held For Future Use _____		
Materials and Supplies _____		
Less:		
Accumulated Depreciation and Accumulated Amortization _____	2,418	4,082
Contributions In Aid Of Construction (Net) _____	5,062	6,636
Net Book Cost _____	\$ 1,098	\$ 4,761
<b>REVENUES AND EXPENSES (Intrastate Only)(000's Omitted):</b>		
Operating Revenues _____	\$ 2,047	\$ 3,340
Depreciation and Amortization Expense _____	\$ 70	\$ 236
Income Tax Expense _____	8	75
Taxes Other Than Income _____	248	418
Other Operating Expenses _____	1,662	2,319
Total Operating Expenses _____	\$ 1,988	\$ 3,048
Net Operating Income _____	\$ 59	\$ 292
Other Income _____	\$ 129	\$ 129
Other Income Deductions _____	215	214
Net Income _____	\$ (27)	\$ 207
<b>CUSTOMERS (Intrastate Only):</b>		
Residential - Yearly Average _____	11,510	11,028
Commercial - Yearly Average _____	222	165
Industrial - Yearly Average _____		
Others - Yearly Average _____		
Total _____	11,732	11,193
<b>OTHER STATISTICS (Intrastate Only):</b>		
Average Annual Residential Use Per 1,000 Gallons _____	88	58
Average Annual Residential Cost Per 1,000 Gallons _____	\$ 1.92	\$ 4.66
Average Residential Monthly Bill _____	\$ 13.32	\$ 22.59
Gross Plant Investment Per Customer _____	\$ 728	\$ 1,355

**FINANCIAL**

**SECTION**



UTILITY NAME: Aloha Utilities, Inc.

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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	<b>UTILITY PLANT</b>			
101-106	Utility Plant _____	F-4	\$ 24,056,827	\$ 23,307,077
108-110	Less: Accumulated Depreciation and Amortization _____	F-6	6,499,763	5,724,331
	Net Plant _____		17,557,064	17,582,746
114-115	Utility Plant Acquisition Adjustments (Net) _____	F-5		
116	Other Plant Adjustments (specify) _____			
	Total Net Utility Plant _____		17,557,064	17,582,746
	<b>OTHER PROPERTY AND INVESTMENTS</b>			
121	Nonutility Property _____	F-4		
122	Less: Accumulated Depreciation and Amortization _____			
	Net Nonutility Property _____			
123	Investment in Associated Companies _____	F-7		
124	Utility Investments _____	F-7		
125	Other Investments _____	F-7		
126-127	Special Funds _____	F-7		
	Total Other Property and Investments _____			
	<b>CURRENT AND ACCRUED ASSETS</b>			
131	Cash _____		542,776	418,784
132	Special Deposits _____			15,011
133	Other Special Deposits _____		2,450	2,450
134	Working Funds _____			
135	Temporary Cash Investments _____			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts _____	F-8	581,685	558,924
145	Accounts Receivable from Associated Companies _____	F-9		
146	Notes Receivable from Associated Companies _____	F-9		
151-153	Materials and Supplies _____			
161	Stores Expense _____			5,000
162	Prepayments _____	F-10		
171	Accrued Interest and Dividends Receivable _____			
172	Rents Receivable _____			
173	Accrued Utility Revenues _____		41,158	209,821
174	Misc. Current and Accrued Assets _____			
	Total Current and Accrued Assets _____		1,168,069	1,209,990

UTILITY NAME: Aloha Utilities, Inc.

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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	<b>DEFERRED DEBITS</b>			
181	Unamortized Debt Discount & Expense_____	F-11	\$ 14,897	\$ 15,459
182	Extraordinary Property Losses_____	F-11		
183	Preliminary Survey and Investigation Charges_____			
184	Clearing Accounts_____			
185	Temporary Facilities_____			
186	Misc. Deferred Debits_____	F-10	539,143	346,994
187	Research & Development Expenditures_____		2,227,146	2,312,897
190	Accumulated Deferred Income Taxes_____		2,781,186	2,675,350
	Total Deferred Debits_____			
	<b>TOTAL ASSETS AND OTHER DEBITS_____</b>		<b>\$ 21,506,319</b>	<b>\$ 21,468,086</b>

**NOTES TO THE BALANCE SHEET**

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

UTILITY NAME: Aloha Utilities, Inc.

<b>YEAR OF REPORT</b> <b>December 31, 1998</b>
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**COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
<b>EQUITY CAPITAL</b>				
201	Common Stock Issued _____	F-13	\$ 500	\$ 500
204	Preferred Stock Issued _____	F-13	600,000	600,000
202,205	Capital Stock Subscribed _____			
203,206	Capital Stock Liability for Conversion _____			
207	Premium on Capital Stock _____		41,600	41,600
209	Reduction in Par or Stated Value of Capital Stock _____			
210	Gain on Resale or Cancellation of Capital Stock _____			
211	Other Paid-in Capital _____			
212	Discount on Capital Stock _____			
213	Capital Stock Expense _____			
214-215	Retained Earnings _____	F-14	1,736,546	1,556,376
216	Reacquired Capital Stock _____			
218	Proprietary Capital (Proprietorship and Partnership Only) _____			
	Total Equity Capital _____		2,378,646	2,198,476
<b>LONG TERM DEBT</b>				
221	Bonds _____	F-15		
222	Reacquire Bonds _____			
223	Advances from Associated Companies _____	F-15		
224	Other Long Term Debt _____	F-13	3,580,535	3,618,905
	Total Long Term Debt _____		3,580,535	3,618,905
<b>CURRENT AND ACCRUED LIABILITIES</b>				
231	Accounts Payable _____		432,829	475,260
232	Notes Payable _____	F-12		
233	Accounts Payable to Associated Co. _____	F-12	28,327	28,327
234	Notes Payable to Associated Co. _____	F-12		
235	Customer Deposits _____		235,133	229,399
236	Accrued Taxes _____	F-16	242,425	232,884
237	Accrued Interest _____	F-17		
238	Accrued Dividends _____			
239	Matured Long Term Debt _____			
240	Matured Interest _____			
241	Miscellaneous Current and Accrued Liabilities _____	F-20	20,872	21,095
	Total Current and Accrued Liabilities _____		\$ 959,586	\$ 986,965

UTILITY NAME: Aloha Utilities, Inc.

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

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	<b>DEFERRED CREDITS</b>			
251	Unamortized Premium on Debt _____	F-12	\$ _____	\$ _____
252	Advances for Construction _____	F-18		
253	Other Deferred Credits (Contributed Taxes) _____		2,408,435	2,476,454
255	Accumulated Deferred Investment Tax Credits _____			
	Total Deferred Credits _____		2,408,435	2,476,454
	<b>OPERATING RESERVES</b>			
261	Property Insurance Reserve _____			
262	Injuries and Damages Reserve _____			
263	Pensions and Benefits Reserve _____			
265	Miscellaneous Operating Reserves _____			
	Total Operating Reserves _____			
	<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
271	Contributions in Aid of Construction _____	F-19	16,021,530	15,617,933
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-20	4,323,267	3,846,249
	Total Net C.I.A.C. _____		11,698,263	11,771,684
	<b>ACCUMULATED DEFERRED INCOME TAXES</b>			
281	Accumulated Deferred Income Taxes - Accelerated Depreciation _____		480,854	415,602
282	Accumulated Deferred Income Taxes - Liberalized Depreciation _____			
283	Accumulated Deferred Income Taxes - Other _____			
	Total Accum. Deferred Income Taxes _____		480,854	415,602
	<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b> _____		\$ 21,506,319	\$ 21,468,086

UTILITY NAME: Aloha Utilities, Inc.

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COMPARATIVE OPERATING INCOME

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues_____	\$ 5,162,824	F-3(b)	\$ 5,387,218
401	Operating Expenses_____	3,582,456	F-3(b)	3,959,879
403	Depreciation Expense_____	267,122	F-6/F-20	305,782
406	Amortization of Utility Plant Acquisition Adjustment_____			
407	Amortization Expense (Plant Abandonment)_____	29,260		21,069
408.1	Taxes Other Than Income_____	594,038	F-16	666,495
409.1	Income Taxes_____		F-16	
410.10	Deferred Federal Income Taxes_____	148,521		133,057
410.11	Deferred State Income Taxes_____	16,499		17,946
411.10	Provision for Deferred Income Taxes - Credit_____	(42,974)		(68,019)
412.10	Investment Tax Credits Deferred to Future Periods_____			
412.11	Investment Tax Credits Restored to Operating Income_____			
	Utility Operating Expenses_____	4,594,922		5,036,209
	Utility Operating Income_____	567,902		351,009
413	Income From Utility Plant Leased To Others_____			
414	Gains (Losses) From Disposition of Utility Property_____			
	Total Utility Operating Income [Enter here and on Page F-3(c)]_____	567,902		351,009

# COMPARATIVE OPERATING INCOME

REF. PAGE (f)	WATER (g)	REF. PAGE (h)	SEWER (c)	OTHER (e)
W-10	\$ 2,046,925	S-10	\$ 3,340,293	\$ N/A
W-9	1,661,667	S-9	2,298,212	
F-6/F-20	69,699	F-6/F-20	236,083	
			21,069	
F-16	248,193	F-16	418,302	
F-16	35,699	F-16	97,358	
	1,986		15,960	
	(29,397)		(38,622)	
	\$ 1,987,847		\$ 3,048,362	\$
	\$ 59,078		\$ 291,931	\$
	\$ 59,078		\$ 291,931	\$ N/A

UTILITY NAME: Aloha Utilities, Inc.

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

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [From Page F-3(a)]	\$ 567,902		\$ 351,009
	<b>OTHER INCOME AND DEDUCTIONS</b>			
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income	39,951		78,061
420	Allowance for Funds Used During Construction	116,154		28,416
421	Miscellaneous Nonutility Revenue	168,675		151,842
426	Miscellaneous Nonutility Expenses			
	Total Other Income and Deductions	324,780		258,319
	<b>TAXES APPLICABLE TO OTHER INCOME</b>			
408.20	Taxes Other Than Income		F-16	
409.20	Income Taxes		F-16	
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
	Total Taxes Applicable to Other Income			
	<b>INTEREST EXPENSE</b>			
427	Interest Expense	473,048	F-17	428,596
428	Amortization of Debt Discount & Expense	562	F-11	562
429	Amortization of Premium on Debt		F-11	
	Total Interest Expense	473,610		429,158
	<b>EXTRAORDINARY ITEMS</b>			
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
	Total Extraordinary Items			
	NET INCOME	\$ 419,072		\$ 180,170

**YEAR OF REPORT**  
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ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
	Plant Accounts				
101	Utility Plant In Service	\$ 8,538,194	\$ 15,164,168	\$ N/A	\$ 23,702,362
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	39,730	314,735		354,465
106	Completed Construction Not Classified				
	Total Utility Plant	\$ 8,577,924	\$ 15,478,903	\$ N/A	\$ 24,056,827

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.				
<b>DESCRIPTION (a)</b>	<b>BEGINNING YEAR BALANCE (b)</b>	<b>ADDITIONS (c)</b>	<b>REDUCTIONS (d)</b>	<b>ENDING YEAR BALANCE (e)</b>
N/A	\$ _____	_____	_____	\$ _____
Total Nonutility Property_-----	\$ _____	\$ _____	\$ _____	\$ _____



UTILITY NAME: Aloha Utilities, Inc.
**UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115)**

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):				
	\$		N/A	\$
Total Plant Aquisition Adj. _____	N/A	N/A	N/A	N/A
ACCUMULATED AMORTIZATION (115):				
	\$	\$	\$ N/A	\$
Total Accumulated Amortization _____	N/A	N/A		N/A
Net Acquisition Adjustments _____	\$ N/A	\$ N/A	\$ N/A	\$ N/A

UTILITY NAME: Aloha Utilities, Inc.

**ACCUMULATED DEPRECIATION (ACCT. 108)**

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ 2,173,680	\$ 3,550,651	\$ N/A	\$ 5,724,331
Credits during year:				
Accruals charged:				782,799
to Account 108.1	247,730	535,069		
to Account 108.2				
to Account 108.3				
Accruals charged other accounts (specify)				
Salvage				
Other Credits (specify)				
Total credits	247,730	535,069		782,799
Debits during year:				7,349
Book cost of plant retired	3,761	3,588		
Cost of removal				
Other debits (specify)				18
Correct rounding errors	12	6		
Total debits	3,773	3,594		7,367
Balance end of year	\$ 2,417,637	\$ 4,082,126	\$ N/A	\$ 6,499,763

**ACCUMULATED AMORTIZATION (ACCT. 110)**

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ N/A	\$	\$	\$
Credits during year:				
Accruals charged:				
to Account 110.1				
to Account 110.2				
Accruals charged other accounts (specify)				
Total credits				
Debits during year:				
Book cost of plant retired				
Other debits (specify)				
Total debits				
Balance end of year	\$	\$	\$	\$

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

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

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UTILITY NAME: Aloha Utilities, Inc.

**ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 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)
<b>ACCOUNTS RECEIVABLE:</b>	
Customer Accounts Receivable (Acct. 141):	
Water__ Combined Water & Sewer_____	\$ 581,685
Sewer_____	
Other_____	
Total Customer Accounts Receivable_____	\$ 581,685
<b>OTHER ACCOUNTS RECEIVABLE (Acct. 142):</b>	
_____	\$
_____	
_____	
Total Other Accounts Receivable_____	
<b>NOTES RECEIVABLE (Acct. 144):</b>	
_____	\$
_____	
_____	
Total Notes Receivable _____	
Total Accounts and Notes Receivable_____	581,685
<b>ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Acct. 143):</b>	
Balance First of Year_____ N/A_____	\$
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 _____	\$ 581,685

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

Report each account receivable from associated companies separately.

**NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (ACCT. 146)**

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UTILITY NAME: Aloha Utilities, Inc.

**PREPAYMENTS (ACCT. 162)**

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance _____	\$ _____
Prepaid Rents _____	_____
Prepaid Interest _____	_____
Prepaid Taxes _____	_____
Other Prepayments (Specify): _____ _____	_____
Total Prepayments _____	\$ NONE

**MISCELLANEOUS DEFERRED DEBITS (ACCT. 186):**

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1) __ Docket No's. 950615-SU; 970536-WS; 980245-WS __	\$ 80,427
Other Deferred Debits (Acct 186.2) (Deferred PSC Audit Adjustment; Deferred Rule Challen Deferred Audit Fees, Water Quality Rate Investigation)	458,716
Total Miscellaneous Deferred Debits _____	\$ 539,143

UTILITY NAME: Aloha Utilities, Inc.

**UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT (ACCTS. 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)
<b>UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Acct. 181):</b>		
Loan costs related to \$3,040,046 Line of Credit from L. Speer	\$ 562	\$ 14,897
Total Unamortized Debt Discount and Expense _____	\$ 562	\$ 14,897
<b>UNAMORTIZED PREMIUM ON DEBT (Acct. 251):</b>		
N/A	\$	\$
Total Unamortized Premium on Debt _____	\$	\$

**EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)**

Report each item separately.

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

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UTILITY NAME: Aloha Utilities, Inc.

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

DESCRIPTION (a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
			RATE (d)	FREQUENCY OF PAYMENT (e)	
ACCOUNT 232 - NOTES PAYABLE:					
N/A			%		\$
			%		
			%		
			%		
			%		
Total Account 232					\$
ACCOUNT 234 - NOTES PAYABLE TO ASSOCIATED COMPANIES:					
N/A			%		\$
			%		
			%		
			%		
			%		
Total Account 234					\$

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)**

Report each account payable separately.	
DESCRIPTION (a)	TOTAL (b)
Tahitian Development	\$ 28,327
Total	\$ 28,327



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DESCRIPTION (a)	COMMON STOCK (b)	PREFERRED STOCK (d)
Par or stated value per share _____	\$ 1	\$ 600,000
Shares authorized _____	10,000	1
Shares issued and outstanding _____	500	1
Total par value of stock issued _____	\$ 500	\$ 600,000
Dividends declared per share for year _____	\$ None	\$ None

[illegible]

UTILITY NAME: Aloha Utilities, Inc.

**STATEMENT OF RETAINED EARNINGS**

1. Dividends should be shown for each class and series of capital stock.  
Show amounts of 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 _____	\$ 1,556,376
439	Changes to account:	
	Adjustments to Retained Earnings (requires Commission approval prior to use):	
	Credits: _____	
	_____	
	Total Credits _____	
	Debits: _____	
	_____	
	Total Debits _____	180,170
435	Balance transferred from Income _____	
436	Appropriations of Retained Earnings:	
	_____	
	_____	
	Total appropriations of Retained Earnings _____	
	Dividends declared:	
437	Preferred stock dividends declared _____	
438	Common stock dividends declared _____	
	_____	
	Total Dividends Declared _____	
	Balance end of year _____	1,736,546
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	
	_____	
	_____	
	Total Appropriated Retained Earnings _____	
	Total Retained Earnings _____	\$ 1,736,546

Notes to Statement of Retained Earnings:

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

DESCRIPTION OF OBLIGATION (INCLUDING NOMINAL DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	RATE (b)	FREQUENCY OF PAYMENT (c)	
N/A	%		\$
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
	%		
Total _____			\$ _____

Report each account payable separately.	
DESCRIPTION (a)	TOTAL (b)
N/A	\$
Total _____	\$ _____

UTILITY NAME: Aloha Utilities, Inc.

**ACCRUED TAXES (ACCT. 236)**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER (e)	TOTAL (f)
	Balance First of Year _____	\$ 89,727	\$ 143,157	\$ N/A	\$ 232,884
	Accruals Charged:				
408.10	Utility Regulatory				
	Assessment Fees _____	92,111	150,313		242,424
408.11	Property Taxes _____	5,604	18,101		23,705
408.12	Payroll Taxes _____	34,065	25,053		59,118
408.13	Other Taxes & Licenses _____	116,413	224,835		341,248
409.10	Federal Income Taxes _____				
409.11	State Income Taxes _____				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) _____				
	Total Taxes Accrued _____	248,193	418,302		666,495
	Taxes Paid During Year:				
408.10	Utility Regulatory				
	Assessment Fees _____	89,169	143,157		232,326
408.11	Property Taxes _____	5,604	18,101		23,705
408.12	Payroll Taxes _____	34,622	25,053		59,675
408.13	Other Taxes & Licenses _____	116,413	224,835		341,248
409.10	Federal Income Taxes _____				
409.11	State Income Taxes _____				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) _____				
	Total Taxes Paid _____	245,808	411,146		656,954
	Balance End of Year _____	\$ 92,112	\$ 150,313	\$ N/A	\$ 242,425

UTILITY NAME: Aloha Utilities, Inc.

**ACCRUED INTEREST (ACCT. 237)**

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.L. Speer (LOC)	\$ 0	105	\$ 348,958	348,958	\$ 0
L.L. Speer (DOT)	0	427	1,603	1,603	0
Total Account No. 237.1	0		350,561	350,561	0
ACCOUNT NO. 237.2 - ACCRUED INTEREST ON OTHER LIABILITIES:					
Customer Deposits	0	427	78,035	78,035	0
Total Account 237.2	0		78,035	78,035	
Total Account 237	\$ 0		\$ 428,596	\$ 428,596	\$ 0

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

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT. (d)	AMOUNT (e)
Docket No. 950615-SU	\$ 0	\$ 0	766	\$ 59,448
Seven Spring - total				
Docket No. 970536-WS	4,411	4,411	666/766	1,103
SR 54 Limited Proceeding				
Docket No. 980245-WS	23,560	23,560	666/766	5,888
Little Road Limited Proceeding				
Total	\$ 27,971	\$ 27,971		\$ 66,439

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[illegible]

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year _____	\$ 6,517,143	\$ 9,100,790	\$ N/A	\$ 15,617,933
Add credits during year:				
Contributions received from Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	61,359	45,485		106,844
Contributions received from Developer or Contractor Agreements in cash or property (Schedule "B") _____	188,292	108,461		296,753
Total Credits _____	249,651	153,946		403,597
Less debits charged during the year (All debits charged during year must be explained below) _____				
Total Contributions In Aid of Construction _____	\$ 6,766,794	\$ 9,254,736	\$ N/A	\$ 16,021,530

**Explain all debits charged to Account 271 below:**

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

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year _____	\$ 1,526,743	\$ 2,319,506	\$ N/A	\$ 3,846,249
Debits during year:				
Accruals charged to Account				
272 _____	178,031	298,987		477,018
Other debits (specify):				
_____				
_____				
Total debits _____	178,031	298,987		477,018
Credits during year (specify):				
_____				
_____				
Total Credits _____				
Balance end of year _____	\$ 1,704,774	\$ 2,618,493	\$ N/A	\$ 4,323,267

[illegible]



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

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

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

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

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year _____		\$ 180,170
Reconciling items for the year:		
Taxable income not reported on the books:		
Meter fees		24,667
_____		
_____		
_____		
Deductions recorded on books not deducted for return:		
Amortization of plant retirement		21,069
Deferred Income Taxes		82,984
_____		
_____		
Income recorded on books not deducted for return:		
Remove AFUDC income		28,416
_____		
_____		
Deduction on return not charged against book income:		
Depreciation timing difference		425,949
_____		
_____		
Federal tax net income (loss) _____		\$ (145,475)
Computation of tax:		
The Company projects a net operating loss for income tax purposes; therefore, the estimated tax is \$0.		

**\*\* COMPLETION OF SCHEDULE ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR \*\***

**YEAR OF REPORT**  
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UTILITY NAME: Aloha Utilities, Inc.

**SCHEDULE "A"**

**SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ 1,688,561	25.71 %	10.46 %	2.69 %
Preferred Stock	600,000	9.13 %	10.46 %	0.95 %
Long Term Debt	3,599,720	54.80 %	11.00 %	6.03 %
Customer Deposits	232,266	3.54 %	6.00 %	0.21 %
Tax Credits - Zero Cost		%	%	%
Tax Credits - Weighted Cost		%	%	%
Deferred Income Taxes	448,228	6.82 %	- %	- %
Other (Explain)		%	%	%
Total	\$ <u>6,568,775</u>	<u>100 %</u>		<u>9.88 %</u>

(1) Should equal amounts on Schedule B, Column (f), page F-25.

(2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

**APPROVED AFUDC RATE**

Current Commission approved AFUDC rate: 14.71 %

Commission order approving AFUDC rate: 22206

**\*\* COMPLETION OF SCHEDULE ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR \*\***

**YEAR OF REPORT**  
December 31, 1998

UTILITY NAME: Aloha Utilities, Inc.

**SCHEDULE "B"**

**SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS**

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS (e)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)
Common Equity	\$ 1,688,561	\$	\$	\$	\$ 1,688,561
Preferred Stock	600,000				600,000
Long Term Debt	3,599,720				3,599,720
Customer Deposits	232,266				232,266
Tax Credits - Zero Cost					
Tax Credits - Weighted Cost					
Deferred Income Taxes	448,228				448,228
Other (Explain)					
Total	\$ <u>6,568,775</u>	\$	\$	\$	\$ <u>6,568,775</u>

(1) Explain below all adjustments made in Column (e):

**WATER  
OPERATION  
SECTION**

## 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 same 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 water pages should be arranged by group number. An example of system grouping follows:

[illegible]

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
December 31, 1998

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service _____	W-3	\$ 882,418
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	W-8	739,362
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	W-4	438,245
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ (295,189)
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	W-5	282,700
	Subtotal _____		\$ (12,489)
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	W-9	107,390
	Other (Specify): _____ _____ _____		
	RATE BASE _____		\$ 94,901
	UTILITY OPERATING INCOME _____		\$ (7,714)
	ACHIEVED RATE OF RETURN _____		-- %

NOTES:

- (1) Estimated if not known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculated using the balance sheet method.

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
 December 31, 1998

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	Operating Revenues _____	W-10	\$ 483,853
401	Operating Expenses _____	W-9	438,454
403	Depreciation Expense _____	W-8/W-5	10,760
406	Amortization of Utility Plant Acquisition Adjustment _____		
407	Amortization Expense _____	F-16	38,788
408.1	Taxes Other Than Income _____	F-16	
409.1	Income Taxes _____		3,044
410.10	Deferred Federal Income Taxes _____		521
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 _____		491,567
	Utility Operating Income (Loss) _____		(7,714)
413	Income From Utility Plant Leased to Others _____		
414	Gains (Losses) From Disposition of Utility Property _____		
	Total Utility Operating Income (Loss) _____		\$ (7,714)

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
 December 31, 1998

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
301	Organization _____	\$ _____	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____
303	Land and Land Rights _____	5,000	_____	_____
304	Structure and Improvements _____	66,295	_____	_____
305	Collecting and Impounding Reservoirs _____	58,143	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____
307	Wells and Springs _____	_____	_____	_____
308	Infiltration Galleries and Tunnels _____	_____	_____	_____
309	Supply Mains _____	77,076	_____	_____
310	Power Generation Equipment _____	_____	_____	_____
311	Pumping Equipment _____	8,907	_____	_____
320	Water Treatment Equipment _____	1,138	_____	_____
330	Distribution Reservoirs and Standpipes _____	_____	_____	_____
331	Transmission and Distribution Mains _____	280,433	_____	_____
333	Services _____	_____	_____	_____
334	Meters and Meter Installations _____	226,713	_____	_____
335	Hydrants _____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	193	325	_____
340	Office Furniture and Equipment _____	38,387	10,714	_____
341	Transportation Equipment _____	54,299	26,429	1,112
342	Stores Equipment _____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	2,664	_____	_____
344	Laboratory Equipment _____	_____	_____	_____
345	Power Operated Equipment _____	1,563	_____	_____
346	Communication Equipment _____	23,390	86	_____
347	Miscellaneous Equipment _____	86	1,689	_____
348	Other Tangible Plant _____	_____	_____	_____
	Total Water Plant _____	\$ 844,287	\$ 39,243	\$ 1,112
102	Utility Plant Leased to Others _____	_____	_____	_____
103	Property Held for Future Use _____	_____	_____	_____
104	Utility Plant Purchased or Sold _____	_____	_____	_____
105	Construction Work in Progress _____	_____	_____	_____
106	Completed Construction Not Classified _____	_____	_____	_____
	Total Utility Plant _____	\$ 844,287	\$ 39,243	\$ 1,112

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



WATER UTILITY PLANT MATRIX					
CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (h)	.3 WATER TREATMENT PLANT (i)	.4 TRANSMISSION AND DISTRIBUTION PLANT (j)	.5 GENERAL PLANT (k)
\$	\$				
5,000		5,000			
66,295		48,725		16,673	897
58,143		58,143			
77,076		77,076			
8,907		8,907			
1,138			1,138		
280,433				280,433	
226,713				226,713	
518		193		325	
49,101					49,101
79,616					79,616
2,664					2,664
1,563					1,563
23,476					23,476
1,775					1,775
\$ 882,418	\$	\$ 198,044	\$ 1,138	\$ 524,144	\$ 159,092
\$ 882,418	\$ 0	\$ 198,044	\$ 1,138	\$ 524,144	\$ 159,092

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
December 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WATER (b)
Balance First of Year _____	\$ 438,245
Add credits during year:	
Contributions Received From Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	
Contributions received from Developer or Contractor Contractor Agreements in cash or property (Schedule "B") _____	
Total Credits _____	
Less debits charged during the year (All debits charged during the year must be explained below) _____	
Total Contributions In Aid of Construction _____	\$ 438,245

Explain all Debits charged to Account 271 below:

**YEAR OF REPORT**  
December 31, 1998

[illegible]

DESCRIPTION (a)	WATER (b)
Balance first of year _____	\$ 269,772
Debits during year:	
Accruals charged to Account	
272 _____	12,928
Other Debits (specify): _____ _____	
Total debits _____	12,928
Credits during year (specify): _____ _____	
Total credits _____	
Balance end of year _____	\$ 282,700



UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
 December 31, 1998

**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 (f)
301	Organization_____		%	%
302	Franchises_____		%	%
304	Structure and Improvements_____	33	%	3.03 %
305	Collecting and Impounding Reservoirs_____		%	%
306	Lake, River and Other Intakes_____		%	%
307	Wells and Springs_____	30	%	3.33 %
308	Infiltration Galleries and Tunnels_____		%	%
309	Supply Mains_____	35	%	2.86 %
310	Power Generation Equipment_____		%	%
311	Pumping Equipment_____	20	%	5.00 %
320	Water Treatment Equipment_____	22	%	4.55 %
330	Distribution Reservoirs and Standpipes_____		%	%
331	Transmission and Distribution Mains_____	43	%	2.33 %
333	Services_____	43	%	2.33 %
334	Meters and Meter Installations_____	20	%	5.00 %
335	Hydrants_____	45	%	2.22 %
339	Other Plant and Miscellaneous Equipment_____	25	%	4.00 %
340	Office Furniture and Equipment_____	15	%	6.67 %
341	Transportation Equipment_____	6	%	16.67 %
342	Stores Equipment_____		%	%
343	Tools, Shop and Garage Equipment_____	16	%	6.25 %
344	Laboratory Equipment_____	10	%	10.00 %
345	Power Operated Equipment_____	12	%	8.33 %
346	Communication Equipment_____	10	%	10.00 %
347	Miscellaneous Equipment_____	15	%	6.67 %
348	Other Tangible Plant_____		%	%
	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: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
December 31, 1998

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____	_____
304	Structure and Improvements _____	57,306	2,004	_____	2,004
305	Collecting and Impounding Reservoirs _____	_____	_____	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____	_____
307	Wells and Springs _____	52,359	1,938	_____	1,938
308	Infiltration Galleries and Tunnels _____	_____	_____	_____	_____
309	Supply Mains _____	67,732	2,202	_____	2,202
310	Power Generation Equipment _____	_____	_____	_____	_____
311	Pumping Equipment _____	4,217	446	_____	446
320	Water Treatment Equipment _____	725	52	_____	52
330	Distribution Reservoirs and Standpipes _____	_____	_____	_____	_____
331	Transmission and Distribution Mains _____	246,474	6,522	_____	6,522
333	Services _____	_____	_____	_____	_____
334	Meters and Meter Installations _____	186,218	3,273	_____	3,273
335	Hydrants _____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	97	24	_____	24
340	Office Furniture and Equipment _____	27,188	2,125	_____	2,125
341	Transportation Equipment _____	50,838	3,883	_____	3,883
342	Stores Equipment _____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	1,332	172	_____	172
344	Laboratory Equipment _____	_____	_____	_____	_____
345	Power Operated Equipment _____	1,563	0	_____	_____
346	Communication Equipment _____	20,739	988	_____	988
347	Miscellaneous Equipment _____	_____	59	_____	59
348	Other Tangible Plant _____	_____	_____	_____	_____
	Total Depreciation of Water Plant In Service _____	\$ 716,788	\$ 23,688	\$ _____	\$ 23,688

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

Note (1): To correct depreciation expense for rounding differences between beginning and ending balances

**ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (Cont'd)**

<b>PLANT RETIRED (g)</b>	<b>ASSOCIATED SALVAGE AND INSURANCE (h)</b>	<b>ASSOCIATED COST OF REMOVAL (i)</b>	<b>OTHER CHARGES (j)</b>	<b>TOTAL CHARGES (g-h+i+j) (k)</b>	<b>BALANCE AT END OF YEAR (c+f-k) (l)</b>
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	2	2	59,312
_____	_____	_____	_____	_____	54,297
_____	_____	_____	_____	_____	69,934
_____	_____	_____	_____	_____	4,663
_____	_____	_____	_____	_____	777
_____	_____	_____	_____	_____	252,996
_____	_____	_____	(2)	(2)	189,489
_____	_____	_____	_____	_____	121
_____	_____	_____	(1)	(1)	29,312
(1,112)	_____	_____	_____	(1,112)	53,609
_____	_____	_____	_____	_____	1,504
_____	_____	_____	_____	_____	1,563
_____	_____	_____	(1)	(1)	21,726
_____	_____	_____	_____	_____	59
\$ align="right">(1,112)	\$ _____	\$ _____	\$ align="right">(2) (1)	\$ align="right">(1,114)	\$ align="right">739,362



UTILITY NAME: Aloha Utilities, Inc.

SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
December 31, 1998

## 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	\$ 40,957	\$	\$ 2,184
603	Salaries and Wages - Officers, Directors and Majority Stockholders	33,098		
604	Employee Pensions and Benefits	27,890		
610	Purchased Water	232,923	232,923	
615	Purchased Power	4,949	4,261	
616	Fuel for Power Purchased			
618	Chemicals	780		
620	Materials and Supplies	11,010		385
631	Contractual Services - Engineering	975	975	
632	Contractual Services - Accounting	5,430		
633	Contractual Services - Legal			
634	Contractual Services - Management Fees			
635	Contractual Services - Other	30,641		
641	Rental of Building/Real Property	2,631		
642	Rental of Equipment			
650	Transportation Expense	2,875		47
656	Insurance - Vehicle	4,213		
657	Insurance - General Liability	2,963		
658	Insurance - Workmens Compensation	1,635		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Expenses Other	24,871		
670	Bad Debt Expense	766		
675	Miscellaneous Expenses	9,847		
	Total Water Utility Expenses	\$ 438,454	\$ 238,159	\$ 2,616



# **WATER EXPENSE ACCOUNT MATRIX**

<b>.3 WATER TREATMENT EXPENSES - OPERATIONS (f)</b>	<b>.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)</b>	<b>.5 TRANSMISSION &amp; DISTRIBUTION EXPENSES - OPERATIONS (h)</b>	<b>.6 TRANSMISSION &amp; DISTRIBUTION EXPENSES - MAINTENANCE (i)</b>	<b>.7 CUSTOMER ACCOUNTS EXPENSE (j)</b>	<b>.8 ADMINISTRATIVE &amp; GENERAL EXPENSES (k)</b>
\$	\$ 3,531	\$ 8,350	\$ 3,346	\$ 13,818	\$ 9,728
					33,098
					27,890
					688
780					
108			1,993	5,364	3,160
					5,430
6,493		841	1,600	14,434	7,273
					2,631
243	129	473	828		1,155
					4,213
					2,963
					1,635
					24,871
				766	9,847
\$ 7,624	\$ 3,660	\$ 9,664	\$ 7,767	\$ 34,382	\$ 134,582

W-9(b)

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
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ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue _____			\$ _____
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers _____	3,068	3,070	412,274
461.2	Metered Sales to Commercial Customers _____	43	43	69,494
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 _____	3,111	3,113	481,768
	Fire Protection Revenue:			
462.1	Public Fire Protection _____			
462.2	Private Fire Protection _____			
	Total Fire Protection Revenue _____			
464	Other Sales to Public Authorities _____			
465	Sales to Irrigation Customers _____			
466	Sales for Resale _____			
467	Interdepartmental Sales _____			
	Totals _____	3,111	3,113	\$ 481,768
	Other Water Revenues:			
469	Guaranteed Revenues _____			\$ _____
470	Forfeited Discounts _____			
471	Miscellaneous Service Revenues _____			2,085
472	Rents From Water Property _____			
473	Interdepartmental Rents _____			
474	Other Water Revenues _____			
	Total Other Water Revenues _____			\$ 2,085
	Total Water Operating Revenues _____			\$ 483,853

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
 December 31, 1998

### WATER SYSTEM INFORMATION

#### SOURCE OF SUPPLY

List for each source of supply:			
Gals. per day of source	.144 mgd	.288 mgd	.204 mgd
Type of source	Well	Well	Well
Auxiliary Power	Yes	Yes	Yes

### WATER TREATMENT FACILITIES

List for each water treatment facility:			
Type	Chlorinator	Chlorinator	Chlorinator
Make	Unknown	Unknown	Unknown
Gals. per day capacity	.144 mgd	.288 mgd	.204 mgd
High service pumping			
Gallons per minute	20	20	20
Lime Treatment	N/A	N/A	N/A
Unit Rating	N/A	N/A	N/A
Filtration	N/A	N/A	N/A
Pressure Sq. Ft.	N/A	N/A	N/A
Gravity GPD/Sq. Ft.	N/A	N/A	N/A
Auxiliary Power	Yes	Yes	Yes

### RESERVOIRS

Description (steel, concrete or pneumatic)	N/A	N/A	N/A
Capacity of tank			
Ground or Elevated			

Note: Primary source of water is purchased water from Pasco County

UTILITY NAME Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

**PUMPING AND PURCHASED WATER STATISTICS**

MONTH (a)	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	10,436	3,915	492	13,859	11,308
February	9,337	3,310		12,647	12,065
March	8,505	4,133		12,638	10,999
April	11,496	3,834	368	14,962	12,560
May	10,531	3,815		14,346	12,863
June	11,435	3,583		15,018	13,296
July	7,044	5,060	425	11,679	10,805
August	8,625	3,260		11,885	11,047
September	8,734	2,994		11,728	11,023
October	9,426	3,480	295	12,611	10,675
November	8,773	3,540		12,313	13,194
December	11,173	3,241	275	14,139	12,015
Total for year	115,515	44,165	1,855	157,825	141,850

If water is purchased for resale, indicate the following:

Vendor Pasco County Utilities

Point of delivery Holiday

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

N/A

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

Present ERC's \* that system can efficiently serve. 1110  
Estimated annual increase in ERC's \*. None - System is built out  
List fire fighting facilities and capacities. Standby wells and pumps

List percent of certificate area where service connection are installed (total for each county). Pasco County; 100%

What is the current need for system upgrading and/or expansion? None

What are plans for future upgrading and/or expansion? None

Have questions 6 and 7 been discussed with an engineer (if so, state name and address)? N/A

Have questions 6 and 7 been discussed with appropriate state sanitary engineering office? N/A

\* ERC = (Total Gallons Sold / 365 Days) / 350 Gallons Per Day

TYPE OF PIPE (Galvanized, Cast Iron, PVC, Etc.)	DIAMETER OF PIPE (in inches)	MAINS END OF YEAR (in feet)
PVC	2"	26,268
PVC	3"	9,121
PVC	4"	36,658
PVC	6"	16,174
PVC	8"	37,847
Galvanized	2"	5,600
Total feet of mains -----		131,668

**YEAR OF REPORT**  
December 31, 1998

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

**CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS**

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS		TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
			START OF YEAR (d)	END OF YEAR (e)	
5/8"	D	1.0	2,629	2,632	2,632
3/4"	D	1.5			
1"	D	2.5	6	6	15
1 1/2"	D,T	5.0	3	2	10
2"	D,C,T	8.0	3	3	24
3"	D	15.0	3	3	45
3"	C	16.0			
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0	1	1	50
6"	T	62.5			
8"	C	80.0			
8"	T	90.0	2	2	180
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			2,647	2,649	2,956

**CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS**

$$\left( \frac{141,850,020}{\text{(total gallons sold)}} / 365 \text{ days} \right) / 350 \text{ gpd} = \underline{1,110}$$

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

YEAR OF REPORT  
December 31, 1998

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service_____	W-3	\$ 7,655,776
	Less:		
	Nonused and Useful Plant (1)_____		
108.1	Accumulated Depreciation_____	W-8	1,678,275
110.1	Accumulated Amortization_____		
271	Contributions in Aid of Construction_____	W-4	6,328,549
252	Advances for Construction_____	F-18	
	Subtotal _____		\$ (351,048)
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction_____	W-5	1,422,074
	Subtotal _____		\$ 1,071,026
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2)_____	F-5	
	Working Capital Allowance (3)_____	W-9	299,663
	Other (Specify): _____ _____ _____		
	RATE BASE _____		\$ 1,370,689
	UTILITY OPERATING INCOME _____		\$ 66,792
	ACHIEVED RATE OF RETURN _____		4.87 %

NOTES:

- (1) Estimated if not known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculated using the balance sheet method.

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
 December 31, 1998

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	Operating Revenues _____	W-10	\$ 1,563,072
401	Operating Expenses _____	W-9	1,223,213
403	Depreciation Expense _____	W-8/W-5	58,939
406	Amortization of Utility Plant Acquisition Adjustment _____		
407	Amortization Expense _____		
408.1	Taxes Other Than Income _____	F-16	209,405
409.1	Income Taxes _____	F-16	
410.10	Deferred Federal Income Taxes _____		32,655
410.11	Deferred State Income Taxes _____		1,465
411.10	Provision for Deferred Income Taxes - Credit (Amortization of Contributed Taxes) _____		(29,397)
412.10	Investment Tax Credits Deferred to Future Periods _____		
412.11	Investment Tax Credits Restored to Operating Income _____		
	Utility Operating Expenses _____		1,496,280
	Utility Operating Income _____		66,792
413	Income From Utility Plant Leased to Others _____		
414	Gains (Losses) From Disposition of Utility Property _____		
	Total Utility Operating Income _____		\$ 66,792



UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

YEAR OF REPORT  
December 31, 1998

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
301	Organization_____	\$ 161,503	\$ _____	\$ _____
302	Franchises_____	3,095	_____	_____
303	Land and Land Rights_____	60,023	_____	_____
304	Structure and Improvements_____	418,866	_____	_____
305	Collecting and Impounding Reservoirs_____	_____	_____	_____
306	Lake, River and Other Intakes_____	715,144	_____	_____
307	Wells and Springs_____	_____	_____	_____
308	Infiltration Galleries and Tunnels_____	60,022	_____	_____
309	Supply Mains_____	2,195	_____	_____
310	Power Generation Equipment_____	56,139	_____	_____
311	Pumping Equipment_____	45,765	5,959	_____
320	Water Treatment Equipment_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes_____	38,762	_____	_____
331	Transmission and Distribution Mains_____	4,300,474	142,397	_____
333	Services_____	101,257	_____	_____
334	Meters and Meter Installations_____	817,551	49,787	_____
335	Hydrants_____	294,749	9,075	_____
339	Other Plant and Miscellaneous Equipment_____	6,837	325	_____
340	Office Furniture and Equipment_____	61,840	31,689	_____
341	Transportation Equipment_____	129,209	42,815	2,649
342	Stores Equipment_____	_____	7,520	_____
343	Tools, Shop and Garage Equipment_____	32,159	_____	_____
344	Laboratory Equipment_____	11,273	_____	_____
345	Power Operated Equipment_____	16,546	1,488	_____
346	Communication Equipment_____	29,397	4,564	_____
347	Miscellaneous Equipment_____	_____	_____	_____
348	Other Tangible Plant_____	_____	_____	_____
	Total Water Plant_____	\$ 7,362,806	\$ 295,619	\$ 2,649
102	Utility Plant Leased to Others_____	_____	_____	_____
103	Property Held for Future Use_____	_____	_____	_____
104	Utility Plant Purchased or Sold_____	_____	25,035	_____
105	Construction Work in Progress_____	14,695	_____	_____
106	Completed Construction Not Classified_____	_____	_____	_____
	Total Utility Plant_____	\$ 7,377,501	\$ 320,654	\$ 2,649

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

WATER UTILITY PLANT MATRIX					
CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (h)	.3 WATER TREATMENT PLANT (i)	.4 TRANSMISSION AND DISTRIBUTION PLANT (j)	.5 GENERAL PLANT (k)
\$ 161,503	\$ 161,503				
3,095	3,095				
60,023		31,650	28,373		
418,866		73,456	20,557	113,286	211,567
715,144		715,144			
60,022		60,022			
2,195		2,195			
56,139		56,139			
51,724			51,724		
38,762				38,762	
4,442,871				4,442,871	
101,257				101,257	
867,338				867,338	
303,824				303,824	
7,162		74	5,378	1,710	
93,529					93,529
169,375					169,375
39,679					39,679
11,273					11,273
18,034					18,034
29,397					29,397
4,564					4,564
\$ 7,655,776	\$ 164,598	\$ 938,680	\$ 106,032	\$ 5,869,048	\$ 577,418
39,730					
\$ 7,655,506	\$ 164,598	\$ 938,680	\$ 106,032	\$ 5,869,048	\$ 577,418

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

YEAR OF REPORT  
December 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WATER (b)
Balance First of Year _____	\$ 6,078,898
Add credits during year:	
Contributions Received From Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	61,359
Contributions received from Developer or Contractor Contractor Agreements in cash or property (Schedule "B") _____	188,292
Total Credits _____	249,651
Less debits charged during the year (All debits charged during the year must be explained below) _____	
Total Contributions In Aid of Construction _____	\$ 6,328,549

Explain all Debits charged to Account 271 below:

**YEAR OF REPORT**  
December 31, 1998

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity charges	224	\$ 163.80	\$ 36,691
Meter Fees - 5/8" Residential	312	75.80	23,650
5/8" Irrigation	3	107.56	323
1"	2	165.00	330
1 1/2"	1	365.00	365
Total Credits			\$ 61,359

DESCRIPTION (a)	WATER (b)
Balance first of year _____	\$ 1,256,971
Debits during year:	
Accruals charged to Account	
272 _____	165,103
Other Debits (specify):	
_____	
_____	
Total debits _____	165,103
Credits during year (specify):	
_____	
_____	
Total credits _____	
Balance end of year _____	\$ 1,422,074

SYSTEM NAME: Seven Springs

December 31, 1998

## SCHEDULE "B"

CONTRACTORS AGREEMENTS FROM WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR

<b>DESCRIPTION</b>	<b>INDICATE "CASH" OR "PROPERTY"</b>	<b>WATER</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Pasco County School Board	Cash	\$ 22,513
US Home	Cash	9,615
Webbs 99 Inc	Cash	127
Genesis School	Cash	1,753
Adam Smith	Property	133,037
Mike Ryan Homes	Property	13,369
Adam Smith	Cash	303
Ho Wan Restaurant	Cash	606
Welbuilt Corp	Cash	4,848
Wendy's International	Cash	2,121
Total Credits		\$ 188,292

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
 December 31, 1998

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 (f)
301	Organization _____		%	%
302	Franchises _____		%	%
304	Structure and Improvements _____	33	%	3.03 %
305	Collecting and Impounding Reservoirs _____		%	%
306	Lake, River and Other Intakes _____		%	%
307	Wells and Springs _____	30	%	3.33 %
308	Infiltration Galleries and Tunnels _____		%	%
309	Supply Mains _____	35	%	2.86 %
310	Power Generation Equipment _____		%	%
311	Pumping Equipment _____	20	%	5.00 %
320	Water Treatment Equipment _____	22	%	4.55 %
330	Distribution Reservoirs and Standpipes _____		%	%
331	Transmission and Distribution Mains _____	43	%	2.33 %
333	Services _____	43	%	2.33 %
334	Meters and Meter Installations _____	20	%	5.00 %
335	Hydrants _____	45	%	2.22 %
339	Other Plant and Miscellaneous Equipment _____	25	%	4.00 %
340	Office Furniture and Equipment _____	15	%	6.67 %
341	Transportation Equipment _____	6	%	16.67 %
342	Stores Equipment _____		%	%
343	Tools, Shop and Garage Equipment _____	16	%	6.25 %
344	Laboratory Equipment _____	10	%	10.00 %
345	Power Operated Equipment _____	12	%	8.33 %
346	Communication Equipment _____	10	%	10.00 %
347	Miscellaneous Equipment _____	15	%	6.67 %
348	Other Tangible Plant _____		%	%
	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: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

YEAR OF REPORT  
December 31, 1998

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization _____	\$ 41,385	\$ 4,038	\$ _____	\$ 4,038
302	Franchises _____	909	77	_____	77
304	Structure and Improvements _____	169,580	11,289	_____	11,289
305	Collecting and Impounding Reservoirs _____	_____	_____	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____	_____
307	Wells and Springs _____	90,172	23,838	_____	23,838
308	Infiltration Galleries and Tunnels _____	_____	_____	_____	_____
309	Supply Mains _____	11,707	1,715	_____	1,715
310	Power Generation Equipment _____	402	73	_____	73
311	Pumping Equipment _____	19,083	2,807	_____	2,807
320	Water Treatment Equipment _____	14,061	2,185	_____	2,185
330	Distribution Reservoirs and Standpipes _____	8,757	1,048	_____	1,048
331	Transmission and Distribution Mains _____	522,894	105,766	_____	105,766
333	Services _____	3,542	2,945	_____	2,945
334	Meters and Meter Installations _____	347,652	42,123	_____	42,123
335	Hydrants _____	29,488	6,651	_____	6,651
339	Other Plant and Miscellaneous Equipment _____	2,529	457	_____	457
340	Office Furniture and Equipment _____	36,774	4,549	_____	4,549
341	Transportation Equipment _____	110,286	9,796	_____	9,796
342	Stores Equipment _____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	6,266	2,244	_____	2,244
344	Laboratory Equipment _____	3,663	752	_____	752
345	Power Operated Equipment _____	10,011	1,211	_____	1,211
346	Communication Equipment _____	27,731	326	_____	326
347	Miscellaneous Equipment _____	_____	152	_____	152
348	Other Tangible Plant _____	_____	_____	_____	_____
	Total Depreciable Water Plant In Service _____	\$ 1,456,892	\$ 224,042	\$ _____	\$ 224,042

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

Note (1): To correct depreciation expense for rounding differences between beginning and ending balances

**ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (Cont'd)**

<b>PLANT RETIRED (g)</b>	<b>ASSOCIATED SALVAGE AND INSURANCE (h)</b>	<b>ASSOCIATED COST OF REMOVAL (i)</b>	<b>OTHER CHARGES (j)</b>	<b>TOTAL CHARGES (g-h+i+j) (k)</b>	<b>BALANCE AT END OF YEAR (c+f-k) (l)</b>
\$	\$	\$	\$ (1)	\$ (1)	\$ 45,422
					986
			1	1	180,870
			(1)	(1)	114,009
			1	1	13,423
					475
					21,890
			(1)	(1)	16,245
					9,805
			(1)	(1)	628,659
					6,487
			(1)	(1)	389,774
			(2)	(2)	36,137
			(1)	(1)	2,985
			1	1	41,324
(2,649)			(2)	(2,651)	117,431
			(1)	(1)	8,509
					4,415
			(1)	(1)	11,221
			(1)	(1)	28,056
					152
\$ (2,649)	\$	\$	\$ (10) (1)	\$ (2,659)	\$ 1,678,275

W-8(b)



UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
 December 31, 1998

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	\$ 231,684	\$	\$
603	Salaries and Wages - Officers, Directors and Majority Stockholders	81,909		
604	Employee Pensions and Benefits	97,925		
610	Purchased Water	239,435	239,435	
615	Purchased Power	90,974	89,160	
616	Fuel for Power Purchased			
618	Chemicals	85,627		
620	Materials and Supplies	69,260	5	
631	Contractual Services - Engineering	24,366	1,360	
632	Contractual Services - Accounting	18,375		
633	Contractual Services - Legal	12,728		
634	Contractual Services - Management Fees			
635	Contractual Services - Other	98,409		
641	Rental of Building/Real Property	6,138		
642	Rental of Equipment		94	
650	Transportation Expense	36,459		
656	Insurance - Vehicle	10,833		
657	Insurance - General Liability	7,620		
658	Insurance - Workmens Compensation	4,204		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	3,495		
667	Regulatory Commission Expenses Other	66,820		
670	Bad Debt Expense	1,005		
675	Miscellaneous Expenses	35,947	750	
	Total Water Utility Expenses	\$ 1,223,213	\$ 330,804	\$

# **WATER EXPENSE ACCOUNT MATRIX**

<b>.3 WATER TREATMENT EXPENSES - OPERATIONS (f)</b>	<b>.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)</b>	<b>.5 TRANSMISSION &amp; DISTRIBUTION EXPENSES - OPERATIONS (h)</b>	<b>.6 TRANSMISSION &amp; DISTRIBUTION EXPENSES - MAINTENANCE (i)</b>	<b>.7 CUSTOMER ACCOUNTS EXPENSE (j)</b>	<b>.8 ADMINISTRATIVE &amp; GENERAL EXPENSES (k)</b>
\$ 13,187	\$ 40,831	\$ 10,815	\$ 83,672	\$ 57,621	\$ 25,558
					81,909
					97,925
					1,814
85,627					8,381
713	2,250	1,146	43,293	13,472	18,375
16,670		6,336			12,728
					18,855
22,076	6,442	2,824	17,403	30,809	6,138
					4,822
597	4,222	1,062	25,662		10,833
					7,620
					4,204
					3,495
					66,820
				1,005	33,166
	13	89	599	1,330	
\$ 138,870	\$ 53,758	\$ 22,272	\$ 170,629	\$ 104,237	\$ 402,643

W-9(b)

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
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ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue _____			\$ _____
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers _____	8,293	8,589	1,427,544
461.2	Metered Sales to Commercial Customers _____	164	194	131,143
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 _____	8,457	8,783	1,558,687
	Fire Protection Revenue:			
462.1	Public Fire Protection _____			
462.2	Private Fire Protection _____			
	Total Fire Protection Revenue _____			
464	Other Sales to Public Authorities _____			
465	Sales to Irrigation Customers _____			
466	Sales for Resale _____			
467	Interdepartmental Sales _____			
	Totals _____	8,457	8,783	\$ 1,558,687
	Other Water Revenues:			
469	Guaranteed Revenues _____			\$ _____
470	Forfeited Discounts _____			
471	Miscellaneous Service Revenues _____			4,385
472	Rents From Water Property _____			
473	Interdepartmental Rents _____			
474	Other Water Revenues _____			
	Total Other Water Revenues _____			\$ 4,385
	Total Water Operating Revenues _____			\$ 1,563,072

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
 December 31, 1998

### WATER SYSTEM INFORMATION

#### SOURCE OF SUPPLY

List for each source of supply:			
Gals. per day of source _____	Varies	Varies	
Type of source _____	9 Wells	See W-12	
Auxiliary Power _____	Yes	Purchased	

### WATER TREATMENT FACILITIES

List for each water treatment facility:			
Type _____	Chlorinator		
Make _____	Unknown		
Gals. per day capacity _____	3.3 mgd		
High service pumping _____			
Gallons per minute _____	3,200		
Lime Treatment _____	N/A		
Unit Rating _____	N/A		
Filtration _____	N/A		
Pressure Sq. Ft. _____	N/A		
Gravity GPD/Sq. Ft. _____	N/A		
Auxiliary Power _____	Yes		

### RESERVOIRS

Description (steel, concrete or pneumatic) _____	Concrete		
Capacity of tank _____	500 mgd		
Ground or Elevated _____	Ground		

UTILITY NAME Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

YEAR OF REPORT  
December 31, 1998

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	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	36,680	22,900	685	58,895	50,278
February	29,220	23,092	286	52,026	52,919
March	38,523	25,984	245	64,262	48,375
April	58,507	35,407	259	93,655	74,649
May	68,931	39,439	602	107,768	92,230
June	74,470	39,552	676	113,346	105,196
July	61,501	32,290	958	92,833	97,968
August	51,733	32,990	613	84,110	74,918
September	43,579	23,797	1,151	66,225	70,069
October	54,901	32,046	558	86,389	62,279
November	57,247	32,456	246	89,457	88,403
December	53,847	29,249	258	82,838	76,095
Total for year	629,139	369,202	6,537	991,804	893,379

If water is purchased for resale, indicate the following:

Vendor Jack Mitchell, Interphase, Inc, Tahitian Development, Pasco County  
Point of delivery New Port Richey

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

N/A

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

Present ERC's \* that system can efficiently serve. 6,993  
Estimated annual increase in ERC's \*. 350  
List fire fighting facilities and capacities. Standby high service pumps at storage tank, .5mgd tank, 3200 gpm

List percent of certificate area where service connection are installed (total for each county). Pasco County; 53%

What is the current need for system upgrading and/or expansion? None

What are plans for future upgrading and/or expansion? Additional wells as needed

Have questions 6 and 7 been discussed with an engineer (if so, state name and address)? David Porter, P.E.; 1857 Wells Road, Suite 210, Orange Park, Fl

Have questions 6 and 7 been discussed with appropriate state sanitary engineering office? N/A

\* ERC = (Total Gallons Sold / 365 Days) / 350 Gallons Per Day

TYPE OF PIPE (Galvanized, Cast Iron, PVC, Etc.)	DIAMETER OF PIPE (in inches)	MAINS END OF YEAR (in feet)
PVC	1"	13,090
PVC	1 1/2"	200
PVC	2"	45,935
PVC	3"	24,138
PVC	4"	22,996
PVC	6"	84,014
PVC	8"	127,239
PVC	10"	22,642
PVC	12"	15,192
DIP	8"	88
DIP	10"	14,570
DIP	12"	5,649
DIP	16"	1,804
Total feet of mains		377,557

**YEAR OF REPORT**  
December 31, 1998

UTILITY NAME: Aloha Utilities, Inc.

SYSTEM NAME: Seven Springs

**CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS**

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS		TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
			START OF YEAR (d)	END OF YEAR (e)	
5/8"	D	1.0	8,383	8,702	8,702
3/4"	D	1.5			
1"	D	2.5	33	34	85
1 1/2"	D,T	5.0	14	15	75
2"	D,C,T	8.0	22	26	208
3"	D	15.0			
3"	C	16.0	1	1	16
3"	T	17.5			
4"	D,C	25.0		2	50
4"	T	30.0			
6"	D,C	50.0		3	150
6"	T	62.5	3		
8"	C	80.0			
8"	T	90.0	1		
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			8,457	8,783	9,286

**CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS**

$$\left( \frac{893,378,913}{\text{(total gallons sold)}} / 365 \text{ days} \right) / 350 \text{ gpd} =$$

6,993

# **WASTEWATER OPERATION SECTION**



## Wastewater 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 same group number. The wastewater financial schedules (S-1 through S-10) should be filed for the group in total. The wastewater engineering schedules (S-11 through S-14) must be filed for each system in the group. All wastewater pages should be arranged by group number. An example of system grouping follows:

A System	084	1
B System	185	1
C System	468	2

<u>System Name</u>	<u>Cert. No.</u>	<u>Group Number</u>
<u>Aloha Gardens</u>	<u>097</u>	<u>1</u>
<u>Seven Springs</u>	<u>097</u>	<u>2</u>

**S**

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
 December 31, 1998

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service _____	S-3	\$ 1,378,346
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	S-8	790,701
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	S-4	324,586
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ 263,059
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	S-5	170,608
	Subtotal _____		\$ 433,667
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	S-9	199,549
	Other (Specify): _____ _____ _____		
	RATE BASE _____		\$ 633,216
	UTILITY OPERATING INCOME _____		\$ 36,316
	ACHIEVED RATE OF RETURN _____		5.74 %

NOTES:

- (1) Estimated if not known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculated using the balance sheet method.

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
 December 31, 1998

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	Operating Revenues -----	S-10	\$ 980,535
401	Operating Expenses -----	S-9	814,657
403	Depreciation Expense -----	S-8/S-5	29,213
406	Amortization of Utility Plant Acquisition Adjustment -----		
407	Amortization Expense -----		21,069
408.1	Taxes Other Than Income -----	F-16	79,273
409.1	Income Taxes -----	F-16	
410.10	Deferred Federal Income Taxes -----		6
410.11	Deferred State Income Taxes -----		1
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 -----		944,219
	Utility Operating Income -----		36,316
413	Income From Utility Plant Leased to Others -----		
414	Gains (Losses) From Disposition of Utility Property -----		
	Total Utility Operating Income -----		36,316

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
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WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization _____	\$ _____	\$ _____	\$ _____
352	Franchises _____	_____	_____	_____
353	Land and Land Rights _____	53,061	_____	_____
354	Structure and Improvements _____	83,222	_____	_____
360	Collection Sewers - Force _____	43,197	_____	_____
361	Collection Sewers - Gravity _____	926,866	_____	_____
362	Special Collecting Structures _____	_____	_____	_____
363	Services to Customers _____	_____	_____	_____
364	Flow Measuring Devices _____	_____	_____	_____
365	Flow Measuring Installations _____	_____	_____	_____
370	Receiving Wells _____	_____	_____	_____
371	Pumping Equipment _____	129,265	8,406	_____
380	Treatment & Disposal Equipment _____	_____	_____	_____
381	Plant Sewers _____	16,482	_____	_____
382	Outfall Sewer Lines _____	1,325	_____	_____
389	Other Plant and Miscellaneous Equipment _____	_____	_____	_____
390	Office Furniture & Equipment _____	18,931	5,370	_____
391	Transportation Equipment _____	70,593	980	1,884
392	Stores Equipment _____	_____	_____	_____
393	Tools, Shop and Garage Equipment _____	1,118	_____	_____
394	Laboratory Equipment _____	2,815	_____	_____
395	Power Operated Equipment _____	11,088	_____	_____
396	Communication Equipment _____	5,736	_____	_____
397	Miscellaneous Equipment _____	_____	1,775	_____
398	Other Tangible Plant _____	_____	_____	_____
	Total Wastewater Plant _____	\$ 1,363,699	\$ 16,531	\$ 1,884
102	Utility Plant Leased to Others _____	_____	_____	_____
103	Property Held for Future Use _____	_____	_____	_____
104	Utility Plant Purchased or Sold _____	_____	_____	_____
105	Construction Work in Progress _____	_____	_____	_____
106	Completed Construction Not Classified _____	_____	_____	_____
	Total Utility Plant _____	\$ 1,363,699	\$ 16,531	\$ 1,884

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

WASTEWATER UTILITY PLANT MATRIX					
CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 GENERAL PLANT (k)
\$	\$				
53,061			8,061	45,000	
83,222		63,644	548	18,465	565
43,197		43,197			
926,866		926,866			
137,671			137,671		
16,482				16,482	
1,325				1,325	
24,301					24,301
69,689					69,689
1,118					1,118
2,815					2,815
11,088					11,088
5,736					5,736
1,775					1,775
\$ 1,378,346	\$	\$ 1,033,707	\$ 146,280	\$ 81,272	\$ 117,087
\$ 1,378,346	\$ 0	\$ 1,033,707	\$ 146,280	\$ 81,272	\$ 117,087

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
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CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WASTEWATER (b)
Balance First of Year _____	\$ 324,586
Add credits during year:	
Contributions Received From Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	
Contributions received from Developer or Contractor Contractor Agreements in cash or property (Schedule "B") _____	
Total Credits _____	
Less debits charged during the year (All debits charged during the year must be explained below) _____	
Total Contributions In Aid of Construction _____	\$ 324,586

Explain all Debits charged to Account 271 below:

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

SYSTEM NAME: Aloha Gardens

**YEAR OF REPORT**

December 31, 1998

## SCHEDULE "A"

**ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY, MAIN  
EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR**

[illegible]

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 272)**

DESCRIPTION (a)	WATER (b)
Balance first of year _____	\$ 161,516
Debits during year:	
Accruals charged to Account	
272 _____	9,092
Other Debits (specify): _____ _____	
Total debits _____	9,092
Credits during year (specify): _____ _____	
Total credits _____	
Balance end of year _____	\$ 170,608

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

**YEAR OF REPORT**  
**December 31, 1998**

## SCHEDULE "B"

**ADDITONS TO CONTRIBUTION IN AID OF CONSTRUCTION RECEIVED FROM ALL DEVELOPERS OR CONTRACTORS AGREEMENTS FROM WHICH CASH OR PROPERTY WAS RECEIVED DURING THE YEAR**

[illegible]



UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
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BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (f)
351	Organization_____		%	%
352	Franchises_____		%	%
354	Structure and Improvements_____	32	%	3.13 %
360	Collection Sewers - Force_____	30	%	3.33 %
361	Collection Sewers - Gravity_____	40	%	2.50 %
362	Special Collecting Structures_____	32	%	3.13 %
363	Services to Customers_____	32	%	3.13 %
364	Flow Measuring Devices_____	5	%	20.00 %
365	Flow Measuring Installations_____	5	%	20.00 %
370	Receiving Wells_____	18	%	5.56 %
371	Pumping Equipment_____	18	%	5.56 %
380	Treatment & Disposal Equipment_____		%	%
381	Plant Sewers_____	35	%	2.86 %
382	Outfall Sewer Lines_____	30	%	3.33 %
389	Other Plant and Miscellaneous Equipment_____		%	%
390	Office Furniture & Equipment_____	15	%	6.67 %
391	Transportation Equipment_____	6	%	16.67 %
392	Stores Equipment_____		%	%
393	Tools, Shop and Garage Equipment_____	16	%	6.25 %
394	Laboratory Equipment_____	15	%	6.67 %
395	Power Operated Equipment_____	12	%	8.33 %
396	Communication Equipment_____	10	%	10.00 %
397	Miscellaneous Equipment_____	15	%	6.67 %
398	Other Tangible Plant_____		%	%
	Wastewater Plant Composite Depreciation Rate *		%	%

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

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
December 31, 1998

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises _____				2,600
354	Structure and Improvements _____	23,944	2,600		1,440
360	Collection Sewers - Force _____	7,795	1,440		23,171
361	Collection Sewers - Gravity _____	539,794	23,171		
362	Special Collecting Structures _____				
363	Services to Customers _____				
364	Flow Measuring Devices _____				
365	Flow Measuring Installations _____				
370	Receiving Wells _____				5,913
371	Pumping Equipment _____	80,401	5,913		
380	Treatment & Disposal Equipment _____				471
381	Plant Sewers _____	10,099	471		44
382	Outfall Sewer Lines _____	243	44		
389	Other Plant and Miscellaneous Equipment _____				1,441
390	Office Furniture & Equipment _____	9,583	1,441		2,068
391	Transportation Equipment _____	64,615	2,068		
392	Stores Equipment _____				70
393	Tools, Shop and Garage Equipment _____	245	70		187
394	Laboratory Equipment _____	2,314	187		267
395	Power Operated Equipment _____	10,821	267		574
396	Communication Equipment _____	4,425	574		59
397	Miscellaneous Equipment _____		59		
398	Other Tangible Plant _____				
	Total Depreciable Wastewater Plant In Service _____	\$ 754,279	\$ 38,305	\$ _____	\$ 38,305

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

Note (1): To correct depreciation expense for rounding differences between beginning and ending balances

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION (Cont'd)**

<b>PLANT RETIRED (g)</b>	<b>ASSOCIATED SALVAGE AND INSURANCE (h)</b>	<b>ASSOCIATED COST OF REMOVAL (i)</b>	<b>OTHER CHARGES (j)</b>	<b>TOTAL CHARGES (g-h+i+j) (k)</b>	<b>BALANCE AT END OF YEAR (c+f-k) (l)</b>
\$	\$	\$	\$	\$	\$
			1	1	26,545
					9,235
					562,965
					86,314
			(1)	(1)	10,569
					287
			2	2	11,026
(1,884)				(1,884)	64,799
					315
			1	1	2,502
					11,088
			(2)	(2)	4,997
					59
\$	\$	\$	\$	\$	\$
(1,884)			1 (1)	(1,883)	790,701

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
 December 31, 1998

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees _____	\$ 28,273	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders _____	30,170		
704	Employee Pensions and Benefits _____	25,604		
710	Purchased Sewage Treatment _____	598,153		
711	Sludge Removal Expense _____			
715	Purchased Power _____	21,213		
716	Fuel for Power Purchased _____			
718	Chemicals _____			
720	Materials and Supplies _____	8,481		12
731	Contractual Services - Engineering _____			
732	Contractual Services - Accounting _____	3,382		
733	Contractual Services - Legal _____			
734	Contractual Services - Management Fees _____			
735	Contractual Services - Other _____	50,312		3,231
741	Rental of Building/Real Property _____	2,631		
742	Rental of Equipment _____	875		
750	Transportation Expense _____	2,916		
756	Insurance - Vehicle _____	4,213		
757	Insurance - General Liability _____	2,963		
758	Insurance - Workmens Compensation _____	1,635		
759	Insurance - Other _____			
760	Advertising Expense _____			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense _____			
767	Regulatory Commission Expenses Other _____	24,871		
770	Bad Debt Expense _____	1,113		
775	Miscellaneous Expenses _____	7,852		
	Total Wastewater Utility Expenses _____	\$ 814,657	\$	\$ 3,243

# **WASTEWATER EXPENSE ACCOUNT MATRIX**

<b>.3</b>	<b>.4</b>	<b>.5</b>	<b>.6</b>	<b>.7</b>	<b>.8</b>
<b>PUMPING EXPENSES - OPERATIONS (f)</b>	<b>PUMPING EXPENSES - MAINTENANCE (g)</b>	<b>TREATMENT &amp; DISPOSAL EXPENSES - OPERATIONS (h)</b>	<b>TREATMENT &amp; DISPOSAL EXPENSES - MAINTENANCE (i)</b>	<b>CUSTOMER ACCOUNTS EXPENSE (j)</b>	<b>ADMINISTRATIVE &amp; GENERAL EXPENSES (k)</b>
\$	\$ 7,000	\$ 3,981	\$ 3,050	\$ 8,273	\$ 5,969
					30,170
					25,604
		598,153			
10,804		9,721			688
	63			5,364	3,042
					3,382
18,469	5,159	164	5,215	10,755	7,319
	875				2,631
	889	258	605		1,164
					4,213
					2,963
					1,635
					24,871
				1,113	
				25	7,827
\$ 29,273	\$ 13,986	\$ 612,277	\$ 8,870	\$ 25,530	\$ 121,478

S-9(b)

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
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ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues _____			\$ _____
521.2	Commercial Revenues _____			_____
521.3	Industrial Revenues _____			_____
521.4	Revenues From Public Authorities _____			_____
521.6	Other Revenues _____			_____
	Total Flat Rate Revenues _____			_____
	Measured Revenues:			
522.1	Residential Revenues _____	2,789	2,791	819,066
522.2	Commercial Revenues _____	39	39	151,929
522.3	Industrial Revenues _____			_____
522.4	Revenues From Public Authorities _____			_____
522.5	Multiple Family Dwelling Revenues _____			_____
	Total Measured Revenues _____	2,828	2,830	970,995
523	Revenues From Public Authorities _____			_____
524	Revenues From Other Systems _____			_____
525	Interdepartmental Revenues _____			_____
	Totals _____	2,828	2,830	970,995
	Other Wastewater Revenues:			
530	Guaranteed Revenues _____			_____
531	Sale Of Sludge _____			_____
532	Forfeited Discounts _____			_____
534	Rents From Wastewater Property _____			_____
535	Interdepartmental Rents _____			_____
536	Other Wastewater Revenues _____			9,540
	Total Other Wastewater Revenues _____			9,540
	Total Wastewater Operating Revenues _____			\$ 980,535

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Aloha Gardens

**YEAR OF REPORT**  
December 31, 1998

## WASTEWATER SYSTEM INFORMATION

## PUMPING EQUIPMENT

[illegible]

\* INDICATE WHICH STATION IS THE MASTER LIFT STATION

## SERVICE CONNECTIONS

[illegible]



UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

YEAR OF REPORT  
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### COLLECTING MAINS

COLLECTING MAINS:						
Size (inches)_____	8"	8"	10"	12"		
Type of main_____	PVC	VCP	VCP	VCP		
Length of main (nearest foot):						
End of year_____	1,021	67,495	1,518	4,971		

### FORCE MAINS

FORCE MAINS:						
Size (inches)_____	4"	6"	8"	10"	6"	
Type of main_____	PVC	PVC	PVC	PVC	DIP	
Length of main (nearest foot):						
End of year_____	1,470	4,110	1,610	3,200	4,097	

FORCE MAINS:						
Size (inches)_____						
Type of main_____						
Length of main (nearest foot):						
End of year_____						



**YEAR OF REPORT**  
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**UTILITY NAME:** Aloha Utilities, Inc.  
**SYSTEM NAME:** Aloha Gardens

**TREATMENT PLANT**

Manufacturer _____	Purchased (1) _____	_____	_____
Type _____	_____	_____	_____
"Steel" or "Concrete" _____	_____	_____	_____
Total Capacity _____	501,247	_____	_____
Average Daily Flow _____	_____	_____	_____
Effluent Disposal _____	_____	_____	_____
Total Gallons of Sewage Purchased _____	182,955,000	_____	_____

Note (1): The Company purchases sewage treatment from Pasco County

**OTHER WASTEWATER SYSTEM INFORMATION**

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

- Maximum number of ERC's \* which can be served. 1,823
- Estimated annual increase in ERC's \* . None - System is built-out
- List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation. DO51-6485
- State any plans and estimated completion dates for any enlargements of this system. None
- If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
  - Evaluation of the present plant or plants in regard to meeting the DER's rules. N/A
  - Plans for funding and construction of the required upgrading.
  - Have these plans been coordinated with the DER? N/A
  - Do they concur? N/A
  - When will construction begin? \_\_\_\_\_
- In what percent of your certificated area have service connections been installed? 100 %

\* ERC = (Total Gallons Sold / 365 Days) / 275 Gallons Per Day

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Aloha Gardens

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

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS		TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
			START OF YEAR (d)	END OF YEAR (e)	
5/8"	D	1.0	2,348	2,351	2,351
3/4"	D	1.5			
1"	D	2.5	5	5	13
1 1/2"	D,T	5.0	3	2	10
2"	D,C,T	8.0	2	2	16
3"	D	15.0			
3"	C	16.0	3	3	48
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0	1	1	50
6"	T	62.5			
8"	C	80.0	2	2	160
8"	T	90.0			
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			2,364	2,366	2,648

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

$$\left( \frac{182,955,000}{365 \text{ days}} \right) / 275 \text{ gpd} = \underline{1,823}$$

(total gallons purchased)

Note (1): Restated to exclude master metered apartments billed on a per unit basis

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

YEAR OF REPORT  
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SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service_____	S-3	\$ 13,785,822
	Less:		
	Nonused and Useful Plant (1)_____		
108.1	Accumulated Depreciation_____	S-8	3,291,425
110.1	Accumulated Amortization_____		
271	Contributions in Aid of Construction_____	S-4	8,930,150
252	Advances for Construction_____	F-18	
	Subtotal_____		\$ 1,564,247
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction_____	S-5	2,447,885
	Subtotal_____		\$ 4,012,132
	Plus or Minus:		
114	Acquisition Adjustments (2)_____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2)_____	F-5	
	Working Capital Allowance (3)_____	S-9	363,398
	Other (Specify): _____ _____ _____		
	RATE BASE_____		\$ 4,375,530
	UTILITY OPERATING INCOME_____		\$ 255,615
	ACHIEVED RATE OF RETURN_____		5.84 %

NOTES:

- (1) Estimated if not known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculated using the balance sheet method.

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
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WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	Operating Revenues _____	S-10	\$ 2,359,758
401	Operating Expenses _____	S-9	1,483,555
403	Depreciation Expense _____	S-8/S-5	206,870
406	Amortization of Utility Plant Acquisition Adjustment _____		
407	Amortization Expense _____		
408.1	Taxes Other Than Income _____	F-16	339,029
409.1	Income Taxes _____	F-16	
410.10	Deferred Federal Income Taxes _____		97,352
410.11	Deferred State Income Taxes _____		15,959
411.10	Provision for Deferred Income Taxes - Credit _____		(38,622)
412.10	Investment Tax Credits Deferred to Future Periods _____		
412.11	Investment Tax Credits Restored to Operating Income _____		
	Utility Operating Expenses _____		2,104,143
	Utility Operating Income _____		255,615
413	Income From Utility Plant Leased to Others _____		
414	Gains (Losses) From Disposition of Utility Property _____		
	Total Utility Operating Income _____		255,615

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
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WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization_____	\$ _____	\$ _____	\$ _____
352	Franchises_____	3,095		
353	Land and Land Rights_____	588,030		
354	Structure and Improvements_____	1,261,286		
360	Collection Sewers - Force_____	975,115	19,121	
361	Collection Sewers - Gravity_____	5,360,154	43,493	
362	Special Collecting Structures_____			
363	Services to Customers_____	85,337		
364	Flow Measuring Devices_____	26,712		
365	Flow Measuring Installations_____			
370	Receiving Wells_____			
371	Pumping Equipment_____	586,825	3,749	
380	Treatment & Disposal Equipment_____	983,347	1,223	
381	Plant Sewers_____	354,309		
382	Outfall Sewer Lines_____	478,741		
389	Other Plant and Miscellaneous Equipment_____	2,710,302		
390	Office Furniture & Equipment_____	62,253	14,183	
391	Transportation Equipment_____	133,605	3,730	1,704
392	Stores Equipment_____			
393	Tools, Shop and Garage Equipment_____	10,315	388	
394	Laboratory Equipment_____	4,047	1,851	
395	Power Operated Equipment_____	53,239		
396	Communication Equipment_____	18,512		
397	Miscellaneous Equipment_____		4,564	
398	Other Tangible Plant_____			
	Total Wastewater Plant_____	\$ 13,695,224	\$ 92,302	\$ 1,704
102	Utility Plant Leased to Others_____			
103	Property Held for Future Use_____			
104	Utility Plant Purchased or Sold_____			
105	Construction Work in Progress_____	26,366	288,369	
106	Completed Construction Not Classified_____			
	Total Utility Plant_____	\$ 13,721,590	\$ 380,671	\$ 1,704

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

WASTEWATER UTILITY PLANT MATRIX					
CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 GENERAL PLANT (k)
\$ 3,095	\$ 3,095				
588,030		252,500	10,580	324,950	
1,261,286		216,914	77,173	959,359	7,840
994,236		994,236			
5,403,647		5,403,647			
85,337		85,337			
26,712		26,712			
590,574			590,574		
984,570				984,570	
354,309				354,309	
478,741				478,741	
2,710,302		1,469		2,708,833	
76,436					76,436
135,631					135,631
10,703					10,703
5,898					5,898
53,239					53,239
18,512					18,512
4,564					4,564
\$ 13,785,822	\$ 3,095	\$ 6,980,815	\$ 678,327	\$ 5,810,762	\$ 312,823
314,735					
\$ 14,100,557	\$ 3,095	\$ 6,980,815	\$ 678,327	\$ 5,810,762	\$ 312,823

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
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CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WASTEWATER (b)
Balance First of Year _____	\$ 8,776,204
Add credits during year:	
Contributions Received From Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	45,485
Contributions received from Developer or Contractor Contractor Agreements in cash or property (Schedule "B") _____	108,461
Total Credits _____	153,946
Less debits charged during the year (All debits charged during the year must be explained below) _____	
Total Contributions In Aid of Construction _____	\$ 8,930,150

Explain all Debits charged to Account 271 below:



**YEAR OF REPORT**  
December 31, 1998

<b>DESCRIPTION OF CHARGE</b>	<b>NUMBER OF CONNECTIONS</b>	<b>CHARGE PER CONNECTION</b>	<b>AMOUNT</b>
(a)	(b)	(c)	(d)
Capacity Charges _____ _____ _____ _____ _____ _____ _____ _____	220       	\$ 206.75       	\$ 45,485       
Total Credits _____			\$ 45,485

DESCRIPTION (a)	WATER (b)
Balance first of year _____	\$ 2,157,990
Debits during year:	
Accruals charged to Account	
272 _____	289,895
Other Debits (specify):	
_____	
_____	
Total debits _____	289,895
Credits during year (specify):	
_____	
_____	
Total credits _____	
Balance end of year _____	\$ 2,447,885



SYSTEM NAME: Seven Springs

December 31, 1998

## SCHEDULE "B"

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

[illegible]

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
 December 31, 1998

**BASIS FOR WASTEWATER DEPRECIATION CHARGES**

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (f)
351	Organization _____		%	%
352	Franchises _____	40	%	2.50 %
354	Structure and Improvements _____	32	%	3.13 %
360	Collection Sewers - Force _____	30	%	3.33 %
361	Collection Sewers - Gravity _____	40	%	2.50 %
362	Special Collecting Structures _____	32	%	3.13 %
363	Services to Customers _____	32	%	3.13 %
364	Flow Measuring Devices _____	5	%	20.00 %
365	Flow Measuring Installations _____	5	%	20.00 %
370	Receiving Wells _____	18	%	5.56 %
371	Pumping Equipment _____	18	%	5.56 %
380	Treatment & Disposal Equipment _____	18	%	5.56 %
381	Plant Sewers _____	35	%	2.86 %
382	Outfall Sewer Lines _____	30	%	3.33 %
389	Other Plant and Miscellaneous Equipment _____	24	%	4.17 %
390	Office Furniture & Equipment _____	15	%	6.67 %
391	Transportation Equipment _____	6	%	16.67 %
392	Stores Equipment _____		%	%
393	Tools, Shop and Garage Equipment _____	16	%	6.25 %
394	Laboratory Equipment _____	15	%	6.67 %
395	Power Operated Equipment _____	12	%	8.33 %
396	Communication Equipment _____	10	%	10.00 %
397	Miscellaneous Equipment _____	15	%	6.67 %
398	Other Tangible Plant _____		%	%
	Wastewater Plant Composite Depreciation Rate *		%	%

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

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
 December 31, 1998

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization_____	\$ 909	\$ 77	\$	\$ 77
352	Franchises_____				38,686
354	Structure and Improvements_____	532,739	38,686		32,822
360	Collection Sewers - Force_____	92,637	32,822		133,249
361	Collection Sewers - Gravity_____	1,160,469	133,249		
362	Special Collecting Structures_____				2,586
363	Services to Customers_____	1,293	2,586		5,342
364	Flow Measuring Devices_____	8,013	5,342		
365	Flow Measuring Installations_____				
370	Receiving Wells_____				29,862
371	Pumping Equipment_____	123,520	29,862		61,171
380	Treatment & Disposal Equipment_____	169,114	61,171		10,123
381	Plant Sewers_____	16,203	10,123		15,958
382	Outfall Sewer Lines_____	291,731	15,958		
389	Other Plant and Miscellaneous Equipment_____	206,338	149,435		149,435
390	Office Furniture & Equipment_____	41,403	2,765		2,765
391	Transportation Equipment_____	104,696	9,730		9,730
392	Stores Equipment_____				657
393	Tools, Shop and Garage Equipment_____	3,707	657		332
394	Laboratory Equipment_____	1,624	332		3,785
395	Power Operated Equipment_____	23,545	3,785		32
396	Communication Equipment_____	18,431	32		152
397	Miscellaneous Equipment_____		152		
398	Other Tangible Plant_____				
	Total Depreciable Wastewater Plant In Service_____	\$ 2,796,372	\$ 496,764	\$	\$ 496,764

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

Note (1): To correct depreciation expense for rounding differences between beginning and ending balances

**ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION (Cont'd)**

<b>PLANT RETIRED (g)</b>	<b>ASSOCIATED SALVAGE AND INSURANCE (h)</b>	<b>ASSOCIATED COST OF REMOVAL (i)</b>	<b>OTHER CHARGES (j)</b>	<b>TOTAL CHARGES (g-h+i+j) (k)</b>	<b>BALANCE AT END OF YEAR (c+f-k) (l)</b>
\$	\$	\$	\$	\$	\$ 986
			(3)	(3)	571,422
			2	2	125,461
			(2)	(2)	1,293,716
					3,879
			1	1	13,356
					153,382
			1	1	230,286
					26,326
			1	1	307,690
			(1)	(1)	355,772
			(4)	(4)	44,164
(1,704)				(1,704)	112,722
			(1)	(1)	4,363
					1,956
			(1)	(1)	27,329
					18,463
					152
\$ (1,704)	\$	\$	\$ (7) (1)	\$ (1,711)	\$ 3,291,425

S-8(b)

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

YEAR OF REPORT  
December 31, 1998

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees	\$ 159,868	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders	82,424		
704	Employee Pensions and Benefits	83,018		
710	Purchased Sewage Treatment			
711	Sludge Removal Expense	477,704		
715	Purchased Power	110,463		
716	Fuel for Power Purchased			
718	Chemicals	17,010		
720	Materials and Supplies	48,406	15	1,604
731	Contractual Services - Engineering	44,127	8,289	
732	Contractual Services - Accounting	26,742		
733	Contractual Services - Legal	55,991		
734	Contractual Services - Management Fees			
735	Contractual Services - Other	190,060	85	59,527
741	Rental of Building/Real Property	6,138		65
742	Rental of Equipment	410		1,907
750	Transportation Expense	25,299		
756	Insurance - Vehicle	10,833		
757	Insurance - General Liability	7,620		
758	Insurance - Workmens Compensation	4,204		
759	Insurance - Other			
760	Advertising Expense			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	62,944		
767	Regulatory Commission Expenses Other	47,256		
770	Bad Debt Expense	1,297		
775	Miscellaneous Expenses	21,741		89
	Total Wastewater Utility Expenses	\$ 1,483,555	\$ 8,389	\$ 63,192

# **WASTEWATER EXPENSE ACCOUNT MATRIX**

.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$	\$ 45,919	\$ 60,608	\$ 8,528	\$ 21,918	\$ 22,895
					82,424
					83,018
		477,704			
33,640		75,053			1,770
		17,010			
576	2,386	70	22,278	13,411	8,066
17,666		18,172			26,742
					55,991
2,489	22,405	18,228	39,765	28,766	18,795
					6,138
345					5,231
	2,855	1,277	14,029		10,833
					7,620
					4,204
					62,944
					47,256
				1,297	
			133	65	20,812
13		629			
\$ 54,729	\$ 73,565	\$ 668,751	\$ 84,733	\$ 65,457	\$ 464,739

S-9(b)

UTILITY NAME: Aloha Utilities, Inc.  
 SYSTEM NAME: Seven Springs

YEAR OF REPORT  
 December 31, 1998

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues _____			\$ _____
521.2	Commercial Revenues _____			_____
521.3	Industrial Revenues _____			_____
521.4	Revenues From Public Authorities _____			_____
521.6	Other Revenues _____			_____
	Total Flat Rate Revenues _____			_____
	Measured Revenues:			
522.1	Residential Revenues _____	8,080	8,396	2,170,898
522.2	Commercial Revenues _____	122	130	188,860
522.3	Industrial Revenues _____			_____
522.4	Revenues From Public Authorities _____			_____
522.5	Multiple Family Dwelling Revenues _____			_____
	Total Measured Revenues _____	8,202	8,526	2,359,758
523	Revenues From Public Authorities _____			_____
524	Revenues From Other Systems _____			_____
525	Interdepartmental Revenues _____			_____
	Totals _____	8,202	8,526	2,359,758
	Other Wastewater Revenues:			
530	Guaranteed Revenues _____			_____
531	Sale Of Sludge _____			_____
532	Forfeited Discounts _____			_____
534	Rents From Wastewater Property _____			_____
535	Interdepartmental Rents _____			_____
536	Other Wastewater Revenues _____			_____
	Total Other Wastewater Revenues _____			_____
	Total Wastewater Operating Revenues _____			\$ 2,359,758



UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

**YEAR OF REPORT**  
December 31, 1998

## WASTEWATER SYSTEM INFORMATION

## PUMPING EQUIPMENT

LIFT STATION NUMBER	MAKE OR TYPE	RATED CAPACITY
1 - Hideaway	ABS	400 GPM
2 - Perrine	Peabody	250 GPM
3 - Woodgate	Meyers	300 GPM
4 - Stillwell	Peabody	100 GPM
5 - Latrobe	Meyers	100 GPM
6 - CR 77	Meyers	900 GPM
7 - Seven Springs	ABS	200 GPM
8 - Oak Creek	ABS	300 GPM
9 - Andover	Meyers	500 GPM
10 - Alligator	Peabody	400 GPM
11 - Gum Tree	Hydromatic	350 GPM
12 -	Flyte	400 GPM
13 -	Meyers	300 GPM
14 - Villa Entrada	Peabody	300 GPM
15 - Little	Peabody	250 GPM
16 - Little	Hydromatic	200 GPM
17 - CR 77	Meyers	125 GPM
18 - Highway 54	ABS	320 GPM
19 - Manos	Gould	390 GPM
20 - Country Place	Meyers	500 GPM

\* INDICATE WHICH STATION IS THE MASTER LIFT STATION

## SERVICE CONNECTIONS

[illegible]

**S-11(a)**



**YEAR OF REPORT**  
December 31, 1998

## PUMPING EQUIPMENT

LIFT STATION NUMBER	MAKE OR TYPE	RATED CAPACITY
21 - Industrial	Meyers	350 GPM
22 - Alveron	Meyers	125 GPM
23 - Lassen	Meyers	100 GPM
24 - Hamlett	ABS	152 GPM
25 - Cypress Lakes	Meyers	225 GPM
26 - Wyndtree	Hydromatic	226 GPM
27 - Middlesex	Hydromatic	73 GPM
28 - Haverhill	Enpo	73 GPM
29 - Churchill	ABS	389 GPM
30 - Kinsmere	Hydromatic	389 GPM
31 - Basuto	Hydromatic	
32 - Grimsby	Hydromatic	73 GPM
33 - Arlinbrook	Meyers	
34 - Marazista Drive	Meyers	185 GPM
35 - Calloway	Hydromatic	360 GPM
36 - Toski Drive	Hydromatic	176 GPM
37 - Hagen Drive	Hydromatic	237 GPM
38 - Trent	Hydromatic	450 GPM
39 - Morningdale	Meyers	100 GPM
40 - Arboretum	Meyers	120 GPM

\* INDICATE WHICH STATION IS THE MASTER LIFT STATION

[illegible]

SYSTEM NAME: Seven Springs

December 31, 1998

## PUMPING EQUIPMENT

\* INDICATE WHICH STATION IS THE MASTER LIFT STATION

[illegible]

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UTILITY NAME: Aloha Utilities, Inc.

SYSTEM NAME: Seven Springs

## COLLECTING MAINS

COLLECTING MAINS:						
Size (inches) _____	4"	8"	6"	8"	10"	12"
Type of main _____	VCP	VCP	PVC	PVC	PVC	PVC
Length of main (nearest foot): _____						
End of year _____	5,245	56,044	39,032	162,459	7,787	3,023

COLLECTING MAINS:						
Size (inches) _____	8"					
Type of main _____	DIP					
Length of main (nearest foot): _____						
End of year _____	148					

## FORCE MAINS

FORCE MAINS:						
Size (inches) _____	3"	4"	6"	8"	10"	12"
Type of main _____	PVC	PVC	PVC	PVC	PVC	PVC
Length of main (nearest foot): _____						
End of year _____	430	9,413	12,060	25,377	10,238	11,719

FORCE MAINS:						
Size (inches) _____	6"	8"				
Type of main _____	DIP	DIP				
Length of main (nearest foot): _____						
End of year _____	140	169				

## REUSE MAINS

REUSE MAINS:						
Size (inches) _____	4"	8"	12"			
Type of main _____	PVC	PVC	PVC			
Length of main (nearest foot): _____						
End of year _____	100	2,010	250			

**YEAR OF REPORT**  
December 31, 1998

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

**TREATMENT PLANT**

Manufacturer _____	Marolf	_____	_____
Type _____	Extended Aeration	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Capacity _____	1.2MGD	_____	_____
Average Daily Flow _____	1,291,803	_____	_____
Effluent Disposal _____	Reuse	_____	_____
Total Gallons of Sewage Treated _____	471,508,000	_____	_____

**OTHER WASTEWATER SYSTEM INFORMATION**

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

- Maximum number of ERC's \* which can be served. 4,697
- Estimated annual increase in ERC's \*. 350
- List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation. DO51-2571
- State any plans and estimated completion dates for any enlargements of this system. In 1999, Aloha will expand treatment plant by .400mgd, upgrade to Class 1 reliability, and extend reuse force main approximately three miles. This construction is the next phase of the reuse system. Permit issued 3/23/99. See Item (F) on Page E-4.
- If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
  - Evaluation of the present plant or plants in regard to meeting the DER's rules. Plant at capacity; Expansion underway
  - Plans for funding and construction of the required upgrading.
  - Have these plans been coordinated with the DER? Yes
  - Do they concur? Yes
  - When will construction begin? March, 1999
- In what percent of your certificated area have service connections been installed? 50 %

\* ERC = (Total Gallons Sold / 365 Days) / 275 Gallons Per Day

**YEAR OF REPORT**  
December 31, 1998

UTILITY NAME: Aloha Utilities, Inc.  
SYSTEM NAME: Seven Springs

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

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS		TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
			START OF YEAR (d)	END OF YEAR (e)	
5/8"	D	1.0	8,154	8,476	8,476
3/4"	D	1.5			
1"	D	2.5	21	21	53
1 1/2"	D,T	5.0	8	9	45
2"	D,C,T	8.0	14	14	112
3"	D	15.0			
3"	C	16.0	1	1	16
3"	T	17.5			
4"	D,C	25.0		2	50
4"	T	30.0			
6"	D,C	50.0	3	3	150
6"	T	62.5			
8"	C	80.0	1		
8"	T	90.0			
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			8,202	8,526	8,902

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

$$\left( \frac{471,508,000}{\text{(total gallons treated)}} \right) / 365 \text{ days} / 275 \text{ gpd} = \underline{4,697}$$