

ORIGINAL

State of Florida



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: April 19, 2000
TO: Division of Water and Wastewater (Davis)
FROM: Division of Auditing and Financial Analysis (Vandiver) *W*
RE: Docket No. 990939-WS; Indiantown Company, Inc.
 Audit Report; Rate Case - Historical Year Ended June 30, 1999
 Audit Control No. 00-024-4-1

Attached is the final audit report for the utility stated above. I am sending the utility a copy of this memo and the audit report. If the utility desires to file a response to the audit report, they should send it to the Division of Records and Reporting. There are confidential work papers associated with this audit.

DNV/sp

Attachment

cc: Division of Auditing and Financial Analysis (Devlin/Causseaux/Harvey/File Folder)
 Miami District Office (Welch)
 ✓ Division of Records and Reporting
 Division of Legal Services

Indiantown Company, Inc.
 Attn: Robert M. Post, Jr.
 P. O. Box 397
 Indiantown, FL 34956-0397

- AFA _____
- APP _____
- CAF _____
- CAW _____
- CIT _____
- EAG _____
- LEG _____
- MAS _____
- OPC _____
- RPR _____
- SEC _____
- WFW _____
- OTH _____

DOCUMENT NUMBER-DATE

04915 APR 20 8

FPSC-RECORDS/REPORTING



FLORIDA PUBLIC SERVICE COMMISSION

*DIVISION OF AUDITING AND FINANCIAL ANALYSIS
BUREAU OF AUDITING*

Miami District Office

INDIANTOWN COMPANY, INC.

RATE CASE

HISTORICAL YEAR END JUNE 30, 1999

DOCKETED NO. 990939-WS
AUDIT CONTROL NO. 00-024-4-1



Ray Grant, Audit Manager



*Kathy L. Welch, Regulatory Analyst
Supervisor*

DOCUMENT NUMBER-DATE

04915 APR 20 8

FPSC-RECORDS/REPORTING

INDEX

	PAGE
EXECUTIVE SUMMARY	1
SUMMARY OF SIGNIFICANT PROCEDURES	2
AUDIT EXCEPTIONS	3
Land	3
Duplicate Plant Addition	4
Accumulated Depreciation	5
CIAC	6
Amortization of CIAC	10
Cost of Capital	13
Annualized Revenue	14
Management Fees	18
Legal	19
Vehicle Repair	20
Accounting Fees	21
Princess Airline	22
Real Estate Taxes	24
Billing Analysis	26
AUDIT DISCLOSURES	29
Rate Base Adjustment to Plant	29
Adjustments to Operating Income	30
Capital Items Expensed	32
Effluent Disposal	33
Maintaining Ponds	34
Monitoring Wells	35
Soil Testing	36
Land Lease	37
EXHIBITS	38

**DIVISION OF AUDITING AND FINANCIAL ANALYSIS
AUDITOR'S REPORT**

April 12, 2000

**TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED
PARTIES**

We have applied the procedures described later in this report to audit the accompanying schedules of Rate Base, Cost of Capital and Net Operating Income for the period ended July 31, 1999 for Indiantown Company Incorporated. We have prepared revised schedules for the billing analysis. These schedules were prepared as part of the petition for a rate case in Docket 990939-WS. There is confidential information associated with this audit, and there are no audit staff minority opinions.

This is an internal accounting report prepared after performing a limited scope audit. Accordingly, this report should not be relied upon for any purpose except to assist the Commission staff in performance of their duties. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use.

SUMMARY OF SIGNIFICANT PROCEDURES

Our audit was performed by examining, on a test basis, certain transactions and account balances which we believe are sufficient to base our opinion. Our examination did not entail a complete review of all financial transactions of the company. Our more important audit procedures are summarized below. The following definitions apply when used in this report:

Scanned- The documents or accounts were read quickly looking for obvious errors.

Compiled- The exhibit amounts were reconciled with the general ledger, and accounts were scanned for error or inconsistency.

Reviewed- The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers, and selective analytical review procedures were applied.

Examined- The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers. Selective analytical review procedures were applied and account balances were tested to the extent further described.

Confirmed- Evidential matter supporting an account balance, transaction or other information was obtained directly from an independent third party.

Verify- The item was tested for accuracy, and substantiating documentation was examined.

RATE BASE: Examined Rate Base. Reconciled beginning balances to the last order. Traced additions to supporting documentation. Toured the service area. Recomputed depreciation and amortization from 1994 to 1999 in accordance with Rule 25-30.140, F.A.C.. Reviewed for unrecorded CIAC through deposits, tax returns and developers agreements. Imputed CIAC using number of customers using the tariff and compared to actual. Calculated amortization of CIAC for 1994 to 1999.

NET OPERATING INCOME: Recomputed revenue using the rates in effect for the test year and current rates. Traced the Billing Analysis to supporting documentation. Recalculated proforma adjustments and traced adjustments made to supporting documentation. Examined expenses. Reconciled expenses on schedule B-3 and schedule B-5 to the general ledger and tested selected accounts. Computed depreciation and amortization.

COST OF CAPITAL: Examined Cost of Capital. Traced equity to the last commission established order for Indiantown Company Incorporated. Traced debt to documentation. Recomputed allocation to the utility based on rate base.

AUDIT EXCEPTION NO. 1

SUBJECT: LAND

STATEMENT OF FACT: The company did not include any land in its Rate Base Schedule on MFR A-1 and A-2. Commission Order No. PSC-96-0657-FOF-WS, included land in rate base of \$4,469 for water and \$383 for wastewater. These amounts were included in the books and no new land was added. The company inadvertently left it out when preparing the exhibits.

OPINION: Water rate base should be increased by \$4,469 and wastewater by \$383.

AUDIT EXCEPTION NO. 2

SUBJECT: DUPLICATE PLANT ADDITION

STATEMENT OF FACT: In January of 1999, the company posted \$3,520.79 to water account 348 and the same to a wastewater account. In June of 1999, these amounts were reclassified to accounts 340 for water and 390 for wastewater. In June of 1999, the company's outside accountant also posted an entry of \$3,597.00 to account 340 for water and 390 for wastewater. These amounts were for computer equipment that was purchased. The same backup was provided for each of the entries. The difference in amount was due to the first entry using actual computers used by individuals and the second being an allocation.

OPINION: The second entry should be removed, thus reducing plant in service by \$3,597 for each water and wastewater. Since an entire year of depreciation was included, depreciation and accumulated depreciation need to be reduced by \$599.50 for each water and wastewater. The income tax effect at 37.63% is \$225.59 for each water and wastewater.

AUDIT EXCEPTION NO. 3

SUBJECT: ACCUMULATED DEPRECIATION

STATEMENT OF FACT: The company did not post the adjustments from Order No. PSC-96-0657-FOF-WS for accumulated depreciation. The order increased water accumulated depreciation by \$467 and decreased wastewater by \$469.

In addition, the company used five years to depreciate its computers instead of the six years required in Rule 25-30.140, F.A.C.. The computers were added in the test year but since the company made an adjustment to annualize the depreciation, a full year of depreciation is included. The company capitalized \$41,927.29 for each water and wastewater. The company depreciated \$8,385.46 for each. If the depreciation was done at the six years required in the rule, the depreciation would have been \$6,987.88 for each or a difference of \$1,397.58 for each.

OPINION: Accumulated depreciation should be decreased by \$1,397.58 for each water and wastewater for the difference in rates. Depreciation expense should be decreased by \$1,397.58 for each. The income tax effect at 37.63% is \$525.90 for each.

The order increased water accumulated depreciation by \$467 and decreased wastewater by \$469 and this adjustment should also be posted.

AUDIT EXCEPTION NO. 4

SUBJECT: CIAC

STATEMENT OF FACT: Contributions in Aid of Construction (CIAC) for water at the last audit had a balance of \$762,313.57. The over earnings order PSC-96-0657-FOF-WS required an adjustment of \$52,827. This would have left a balance of \$815,140.57. The company, on MFR A-11, shows a balance of \$809,427 or an understatement of \$5,713.

In 1996, the company recorded reimbursed engineering fees of \$6,276.50 in its water Contributions account. Although these charges are allowed in the tariff, the charges are usually placed in an account where the associated expense is charged and are not part of contributions.

Although it has no effect on total CIAC recorded, an error was made in 1994 in the separation between types of CIAC charges. Contributed plant from Rines Market was shown as main extension fees instead of as a Developer Contribution.

The company had two developer agreements since the last case that contributed assets. Although the projects are completed, the company has not recorded any CIAC for these assets. In addition, a lawsuit was settled with Indianwood. Assets for this development also need to be recorded.

OPINION: Water Contributions in Aid of Construction needs to be increased by \$5,713 to reconcile the beginning balance with the order.

The \$6,276.50 of engineering fees should be removed from water CIAC.

Indianwood assets that were to be transferred at March 1999 had values as follows according to the 1988 transaction report:

Water Meters	\$ 78,090.00
Water Lines	295,635.00
Connections-Services	93,162.00
Wastewater Lines	687,522.00

Indianwood also constructed assets in 1982 and 1986 but no documentation could be found for these. Services were split equally between water and wastewater at \$46,581.00 each.

Martin County contributed assets in September of 1996. According to the invoice, the costs were as follows:

Water 6" main and fitting	\$ 15,742.00
Connection to Water main	1,045.00
Sanitary Sewer Lines	34,395.00
Offsite Force Main	50,817.00

Indiantown Non-Profit Housing also contributed assets in March 1997. An invoice shows water and sewer facilities to be \$320,800 and Lift Station and Force Main to be \$73,700. The company called the contributors and asked for a breakdown of the costs. The company provided documentation to show that \$204,277 of the \$320,800 was for the water main. The contributors could not, however, provide a breakdown between water and wastewater for the remaining \$116,523 of on-site facilities.

Amortization needs to be recorded for all of the adjustments and can be found on the following page by adjustment.

Based on this schedule, the adjusting entry would be:

WATER METERS	\$ 78,090.00	
WATER LINES	574,960.50	
WATER SERVICES	46,581.00	
RETAINED EARNINGS	5,713.00	
CIAC WATER		\$699,068.00
DEFERRED ENGINEERING COSTS		6,276.50
ACCUMULATED AMORTIZATION WATER	\$146,552.84	
WATER DEPRECIATION EXPENSE	\$ 17,826.54	
WATER AMORTIZATION EXPENSE		\$ 17,826.54
ACCUMULATED DEPRECIATION		\$146,552.84
WASTEWATER SERVICES	\$ 46,581.00	
GRAVITY LINES	780,178.50	
FORCE MAINS & LIFT STATION	124,517.00	
CIAC WASTEWATER		\$951,276.50
ACC. AMORTIZATION WASTEWATER	\$ 203,969.54	
DEPRECIATION EXPENSE WASTEWATER	22,652.39	
ACCUMULATED DEPRECIATION		\$ 203,969.54
AMORTIZATION EXP. WWATER		22,652.39

The company claims it will have real estate tax on the contributed property. According to Maria Bentel from the Martin County Property Tax Appraisers office, contributed plant is not taxed.

AMORTIZATION OF THE ADJUSTMENTS TO CIAC:

	RATE	ADJ. AMT.	1988-1994	1995	1996	1997	1998-1/2	TEST YEAR	ACCUMULATED
WATER									
COMPOSITE RATES-WATER				3.08%	3.01%	3.01%	1.59%	3.44%	
ADJUSTMENT TO WATER BEG. BAL. COMPOSITE		(5,713.00)		(175.96)	(171.96)	(171.96)	(90.84)	(196.53)	807.25
ADJUSTMENT FOR ENGINEERING COMPOSITE		6,276.50		193.32	188.92	188.92	99.80	215.91	(886.87)
METERS INDIANWOOD	20.00	(78,090.00)	(27,331.50)	(3,904.50)	(3,904.50)	(3,904.50)	(1,952.25)	(3,904.50)	44,901.75
LINES INDIANWOOD	45.00	(295,635.00)	(45,987.67)	(6,569.67)	(6,569.67)	(6,569.67)	(3,284.83)	(6,569.67)	75,551.17
SERVICES INDIANWOOD	40.00	(46,581.00)	(8,151.68)	(1,164.53)	(1,164.53)	(1,164.53)	(582.26)	(1,164.53)	13,392.04
MAIN-MARTIN COUNTY	45.00	(16,787.00)			(186.52)	(373.04)	(186.52)	(373.04)	1,119.13
MAIN-NON-PROFIT HOUSING	45.00	(204,277.00)				(2,269.74)	(2,269.74)	(4,539.49)	9,078.98
ON-SITE MAINS NON-PROFIT 50%	45.00	(58,261.50)				(647.35)	(647.35)	(1,294.70)	2,589.40
TOTAL		(699,068.00)	(81,470.84)	(11,621.34)	(11,808.25)	(14,911.87)	(8,914.00)	(17,826.54)	146,552.84

WASTEWATER

COMPOSITE RATES-WASTEWATER				3.85%	3.65%	3.62%	1.88%	3.91%	
SERVICES INDIANWOOD	40.00	(46,581.00)	(8,151.68)	(1,164.53)	(1,164.53)	(1,164.53)	(582.26)	(1,164.53)	13,392.04
LINES INDIANWOOD	45.00	(687,522.00)	(106,947.87)	(15,278.27)	(15,278.27)	(15,278.27)	(7,639.13)	(15,278.27)	175,700.07
MAIN-GRAVITY-MARTIN COUNTY	45.00	(34,395.00)			(382.17)	(764.33)	(382.17)	(764.33)	2,293.00
MAIN-FORCE-MARTIN COUNTY	30.00	(50,817.00)			(846.95)	(1,693.90)	(846.95)	(1,693.90)	5,081.70
LIFT STATION & FORCE-NON-PROFIT	30.00	(73,700.00)				(1,228.33)	(1,228.33)	(2,456.67)	4,913.33
ON-SITE MAINS NON-PROFIT 50%	45.00	(58,261.50)				(647.35)	(647.35)	(1,294.70)	2,589.40
TOTAL		(951,276.50)	(115,099.54)	(16,442.79)	(17,671.91)	(20,776.71)	(11,326.20)	(22,652.39)	203,969.54

AUDIT EXCEPTION NO. 5

SUBJECT: AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)

STATEMENT OF FACT: Rule 25-30.140, F.A.C. requires that contributed plant be amortized based on the life of the contributed assets and that cash should be amortized using a composite rate. The company used a composite rate for all components of CIAC. Supporting documentation could not be obtained for the company calculation.

No documentation could be found by the company or prior audit workpapers to document the category of assets for the contributed property. Recent additions of contributed property were not recorded and will be addressed separately in another exception.

OPINION: The staff composite rates were determined using the depreciation additions in the MFR's divided by the average plant using the MFR's. These rates were multiplied by the CIAC balances and additions from the MFR's.

The attached schedule shows that Accumulated amortization is understated by \$13,228.57 for water and \$4,373.90 for wastewater.

Expense per the filing is \$29,330 for water and \$40,330 for wastewater. Based on the attached schedule, water is understated by \$2,283.70 and wastewater is overstated by \$928.25. This would increase income tax by \$859.36 for water and a decrease of \$349.30 for wastewater using a 37.63% rate.

	CIAC WATER	AMORTIZATION 1995	AMORTIZATION 1996	AMORTIZATION 1997	AMORTIZATION JAN-JUNE 98	AMORTIZATION TEST YEAR	TOTAL
RATE		3.08%	3.01%	3.01%	1.59%	3.44%	
BALANCE 94	809,427.00	24,945.84					24,945.84
ADDITIONS 95	44,920.00	692.20					692.20
BALANCE 95	854,347.00		25,715.13				25,715.13
ADDITIONS 96	43,219.00		650.43				650.43
BALANCE 96	897,566.00			26,991.65			26,991.65
ADDITIONS 97	12,002.00			180.46			180.46
BALANCE 97	909,568.00				14,451.60		14,451.60
ADDITIONS 98	5,820.00				46.24		46.24
BALANCE 6/98	915,388.00					31,474.07	31,474.07
ADDITIONS TY	8,122.00					139.63	139.63
BALANCE 6/99	923,510.00	25,638.04	26,365.56	27,172.11	14,497.83	31,613.70	125,287.24
BEGINNING BALANCE PER ORDER ESTIMATE PER STAFF PER COMPANY DIFFERENCE							179,123.33 304,410.57 291,182.00 13,228.57

11

	CIAC WASTEWATER	AMORTIZATION 1995	AMORTIZATION 1996	AMORTIZATION 1997	AMORTIZATION JAN-JUNE 98	AMORTIZATION TEST YEAR	TOTAL
RATE		3.85%	3.65%	3.62%	1.88%	3.91%	
BALANCE 94	975,793.00	37,556.31					37,556.31
ADDITIONS 95	14,259.00	274.40					274.40
BALANCE 95	990,052.00		36,142.54				36,142.54
ADDITIONS 96	9,647.00		176.09				176.09
BALANCE 96	999,699.00			36,155.01			36,155.01
ADDITIONS 97	5,387.00			97.41			97.41
BALANCE 97	1,005,086.00				18,939.56		18,939.56
ADDITIONS 98	2,037.00				19.19		19.19
BALANCE 6/98	1,007,123.00					39,348.69	39,348.69
ADDITIONS TY	2,716.00					53.06	53.06
BALANCE 6/99	1,009,839.00	37,830.71	36,318.62	36,252.42	18,958.75	39,401.75	168,762.25
BEGINNING BALANCE PER ORDER ESTIMATE PER STAFF PER COMPANY DIFFERENCE							228,835.65 397,597.90 393,224.00 4,373.90

	PLANT WATER	AVERAGE	DEPRECIATION	PERCENT	PLANT WASTEWATER	AVERAGE	DEPRECIATION	PERCENT
BALANCE 94	1,439,509.00				2,624,688.00			
AVERAGE		1,487,614.50	45,847.00	3.08%		2,705,000.00	104,110.00	3.85%
BALANCE 95	1,535,720.00				2,785,312.00			
AVERAGE		1,739,384.00	52,354.00	3.01%		2,802,932.50	102,323.00	3.65%
BALANCE 96	1,943,048.00				2,820,553.00			
AVERAGE		1,952,710.50	58,722.00	3.01%		2,822,604.00	102,082.00	3.62%
BALANCE 97	1,962,373.00				2,824,655.00			
AVERAGE		1,962,373.00	31,179.00	1.59%		2,824,655.00	53,227.00	1.88%
BALANCE 6/98	1,962,373.00				2,824,655.00			
AVERAGE		1,992,333.00	68,503.00	3.44%		2,896,055.00	113,150.00	3.91%
BALANCE 6/99	2,022,293.00				2,967,455.00			

AUDIT EXCEPTION NO. 6

SUBJECT: COST OF CAPITAL

STATEMENT OF FACT: The company provided cost of capital of MFR D-2, removed the Roloff loan because it was specifically for another company. However, in the past, the Commission has used a consolidated capital structure for debt and equity and actual amounts for customer deposits and accumulated deferred income tax. Indiantown Co. was able to obtain the loan for the garbage trucks and is currently in the process of obtaining additional debt.

The company included customer deposits and accumulated deferred tax in its calculation of the equity rate. According to Order No. PSC-99-1224-PAA-WS, the equity ratio should consist of equity divided by debt and equity. If the Roloff note is included in the equation, the equity ratio is 94% and the equity rate should be 8.929%.

The company included \$713,164 for deferred tax, which does reconcile to the ledger, in its cost of capital schedule. They then adjusted this amount by \$285,089 leaving \$428,075. According to the trial balance by division, the average deferred tax balance is \$415,442 for water and wastewater.

When the company prepared the POSTCO MFR C-8, a loan payment of 60,000 on the Post loan was left out. The company also excluded two loans shown as new notes payable on the June 1999 trial balance. The notes were for \$25,000 for a note payable to Indiantown Co. and \$929,396.95 for a note payable to ITS. There were no formal notes prepared and the company claims the notes were actually intercompany accounts payable and plans on transferring them through a journal entry.

OPINION: Revised schedules were prepared for both Indiantown Company and Postco. The schedules follow this exception. Cost of capital using Indiantown Company is 6.56%. Postco's weighted cost is 7.39%.

**STAFF ADJUSTED COST OF CAPITAL INDIANTOWN CO., INC.
AVERAGE 1999**

	AVERAGE PER BOOKS	RATIO	PRORATA ALLOCATION	RATIO	COST RATE	WEIGHTED COST
LONG TERM DEBT (B)	259,116.00	5.10%	59,340.39	3.65%	8.75%	0.32%
COMMON EQUITY	4,818,363.00	94.90%	1,103,457.61	67.91%	8.93%	6.06%
CUSTOMER DEPOSITS	46,741.00		46,741.00	2.88%	6.00%	0.17%
ACC. DEF. TAX (A)	713,164.00		415,442.00	25.57%	0.00%	0.00%
	<u>5,837,384.00</u>	<u>100.00%</u>	<u>1,624,981.00</u>	<u>100.00%</u>		<u>6.56%</u>
PER COMPANY						<u>8.22%</u>
DIFFERENCE						<u>-1.66%</u>

NOTE A: DEFERRED TAX CONSOLIDATED IS 713,164 BUT ACTUAL WATER AND WASTEWATER WAS 415,442.

NOTE B: ROLOFF DEBT WAS INCLUDED TO ARRIVE AT CONSOLIDATED DEBT AND EQUITY. THIS DEBT SHOWS THAT INDIANTOWN CO. WAS ABLE TO STAND ALONE WITHOUT POSTCO.

**STAFF ADJUSTED AVERAGE COST OF CAPITAL POSTCO WITH ADJUSTMENTS
AVERAGE 1999**

	AVERAGE PER BOOKS	RATIO	COST RATE	WEIGHTED COST
LONG TERM DEBT:				
CFCC DEBT	5,000,000.00	48.28%	5.97%	2.88%
BOB POST DEBT	1,467,100.50	14.17%	12.00%	1.70%
EQUITY	1,888,259.00	18.23%	10.12%	1.85%
PREFERRED STOCK	2,000,000.00	19.31%	5.00%	0.97%
	<hr/>			
	10,355,359.50	100.00%		7.39%
PER COMPANY				7.41%
DIFFERENCE				-0.02%

AUDIT EXCEPTION NO. 7

SUBJECT: ANNUALIZED REVENUE

STATEMENT OF FACT: Company schedule E-2(a) determines the annualized revenue because the company had a indexed rate adjustment that was effective September 1, 1999. The schedule used for water contains rates that are not in the tariff. The attached schedule shows the correct rates and arrives at an annualized revenue number of \$498,766.14 instead of the company number of \$508,952. This is a revenue decrease of \$10,185.86.

ANNUALIZED REVENUE USING CORRECT TARIFF

	Bills	Gallons	Rates 9/99	Annualized
Residential:				
5/8	18,749.00		7.64	143,242.36
gallons		181,273.00	1.10	199,400.30
General:				
5/8	1,924.00		7.64	14,699.36
gallons		24,431.00	1.10	26,874.10
1	74.00		19.12	1,414.88
gallons		1,978.00	1.10	2,175.80
1 1/2	57.00		38.25	2,180.25
gallons		2,719.00	1.10	2,990.90
2	222.00		61.20	13,586.40
gallons		24,720.00	1.10	27,192.00
3	11.00		114.73	1,262.03
gallons		81.00	1.10	89.10
4	12.00		191.22	2,294.64
gallons		5,562.00	1.10	6,118.20
6	12.00		382.46	4,589.52
gallons		110.00	1.10	121.00
8	12.00		611.93	7,343.16
gallons		7,540.00	1.10	8,294.00
Fire Protection:				
4	75.00		63.74	4,780.50
6	36.00		127.49	4,589.64
Public Fire:	72.00		78.00	5,616.00
				478,854.14
Other Water Revenue				19,912.00
Annualized Revenue Per Staff				498,766.14
Annualized Per company Schedule E-2(a)				508,952.00
Difference				(10,185.86)

AUDIT EXCEPTION NO. 8

SUBJECT: MANAGEMENT FEES

STATEMENT OF FACT: In computing the management fee in the exhibits, the company allocated one of the accounting staff at 20% to water instead of 45%. When she was questioned about the percent of time she works on water and wastewater business, she reported that she spends 45% of her time on each, water and wastewater business. In 1998, this persons salary was charged to the management fee. In 1999 some people were switched from a management fee allocation to having the salary directly charged to the utility. This person was one who was transferred. For purposes of the filing, the six month's of her salary that was included in the 1998 management fee was removed from the management fee and transferred to direct salary. However, it was transferred at the 20% instead the 45% she reportedly works.

OPINION: The difference between the 20 and 45% is a difference of \$6,413 should be added to water salary expense. This would decrease tax expense for water by 37.63% or \$2,413.21 and increase working capital by \$801.62.

AUDIT EXCEPTION NO. 9

SUBJECT: LEGAL

STATEMENTS OF FACT: From July 1998 through June 1999, the company recorded legal expenses related to Indianwood Development of \$48,999.60 and legal expenses of \$7,946.63 related to the rate case equally between account 633 Legal Expense Water and account 733 Legal Expense Wastewater.

On schedule B-3 page 1, the company made an adjustment to legal expenses totaling \$47,576, related to Indianwood Development and legal expenses of \$2,998 related to the rate case from water account 633 and wastewater account 733 to deferred accounts. According to the company, the deferred legal expenses were amortized over five years. Recalculation of the filing shows four years was used.

OPINION: The proforma adjustment to reclassify legal expenses related to Indianwood Development and rate case expenses to deferred accounts is understated by \$1,425.60 and \$4,948.63 respectively.

Legal Expenses Indianwood	Water	Wastewater	Total
Total Legal Exp. July 1998-June 1999 Per Books	\$24,499.80	\$24,499.80	\$48,999.60
Legal Exp. Reclassified to Deferred Account	<u>\$23,787.00</u>	<u>\$23,787.00</u>	<u>\$47,574.00</u>
Adjustments Understated By:	<u>\$712.80</u>	<u>\$712.80</u>	<u>\$1,425.60</u>

Legal Expenses Rate Case			
Total Rate Case July 1998-June 1999 Per Books	\$3,973.31	\$3,973.31	\$7,946.63
Total Legal Exp. Reclassified To Deferred Account	<u>\$1,499.00</u>	<u>\$1,499.00</u>	<u>\$2,998.00</u>
Adjustments Understated By:	<u>\$2,474.31</u>	<u>\$2,474.31</u>	<u>\$4,948.62</u>

This would increase amortization by \$796.77 for each water and wastewater. The net effect on operating expenses is \$2,390.34 for each water and wastewater. This would increase income tax expense by \$899.48 each and decrease working capital by \$298.79.

AUDIT EXCEPTION NO. 10

SUBJECT: VEHICLE REPAIR EXPENSE

STATEMENT OF FACTS: In August 1998, the company reimbursed Robert Post \$1,590.00 for repairs made to a utility vehicle on May 3, 1997. This expense was recorded in account 650 Transportation Expense-Water and 750 Transportation Expense-Wastewater equally.

OPINION: The air-conditioning repair expense of \$1590.00 is out of period and should be removed from test year expenses at \$795 for each water and wastewater. This would increase income taxes by \$299.32 for each water and wastewater, and decrease working capital by \$99.38 for each.

AUDIT EXCEPTION NO. 11

SUBJECT: ACCOUNTING FEES

STATEMENT OF FACT: In April 1999, the company recorded accounting expenses of \$4,335.00 and allocated \$2,167.50 to account 632 Accounting Fees Water and \$2,167.50 to account 732 Accounting Fees-Wastewater. The accounting fees were paid to Chazotte Lefanto for accounting services related to Indianwood Development.

OPINION: These expenses should have been recorded in a deferred account and amortized over five years as was done by the company legal fees. This would reduce expenses by \$2,167.50 for each water and wastewater but increase amortization of deferred items by \$433.50 for a net decrease of \$1,734 for each. This would increase tax expense by \$652.50 for each and decrease working capital by \$270.93 for each.

AUDIT EXCEPTION NO. 12

SUBJECT: PRINCESS AIRLINE

STATEMENT OF FACTS: Princess Airline is an affiliate of Indiantown Company. In March 1998, the company paid Princess Aviation \$2,385 for airfare for the Vice President to travel from Indiantown to Tallahassee and return. In December 1998, the company recorded Airline Club membership and travel expenses for February 1998 to December 1998 totaling \$25,705 to Water Miscellaneous Expenses and Wastewater Miscellaneous Expenses.

The club membership from Princess Aviation costs \$2,120 per month and allows the utility employees to travel at a discount rate. The airfare expenses recorded in account 675 and account 775 follow:

March	1998	Tall. for J. Leslie	\$2,385.00
May	1998	Club Membership 4 months	\$8,480.00
June	1998	Airline Club Membership	\$0.00
July	1998	Club Membership 2 months	\$4,240.00
August	1998	Airline Club Membership	\$2,120.00
September	1998	Airline Club Membership	\$2,120.00
October	1998	Airline Club Membership	\$2,120.00
November	1998	Airline Club Membership	\$2,120.00
December	1998	Airline Club Membership	<u>\$2,120.00</u>
Total Removed on Schedule B-3 equally w/ww			<u>\$25,705.00</u>

In addition to the above, On December 14, 1998, the company paid Princess Aviation airfare expenses \$3,180 for four hours travel to Tallahassee in November 1998 for the utility water and wastewater rate case. This amount was allocated 50%/50% between water and wastewater and recorded in account 666.08 and 766.08 Regulatory Commission Expense.

OPINION: The company removed total travel expenses of \$25,705 in an adjustment on schedule B-3. The company claims that it has no intention of including these costs in rate case expense and thought it had removed all of costs. Rate case expenses should be checked when submitted to verify this. The cost that has been included in Regulatory Commission expense appears to be higher than what it would pay a commercial airlines.

The airfare expense of \$3,180 (\$1,590 for water and \$1,590 for wastewater) that is remaining in regulatory commission expense is related to the rate case and should be

removed from Regulatory Commission expense. Because the transaction is with an affiliate, it requires more scrutiny than a regular transaction. A market rate may be a more reasonable cost. Commercial airlines flights can be obtained for \$322 from West Palm Beach to Tallahassee. This cost should be included in deferred rate case costs and amortized over 5 years. The difference of \$2,858 should be removed equally from water and wastewater (\$1,429 each). The amortization of the allowed amount of \$322 should be allowed (\$32.20 each). The net adjustment is a reduction of expenses of \$1,396.80 for each water and wastewater. The income tax effect of removing this cost would be 525.62 for each water and wastewater and it would decrease working capital by 174.60.

AUDIT EXCEPTION NO. 13

SUBJECT: REAL ESTATE AND PERSONAL PROPERTY TAXES

STATEMENT OF FACT: On MFR B-15, the company included real estate and personal property tax of \$26,861 for water and \$39,407 for wastewater after adjustments. In arriving at this figure, the real estate tax bill for the water plant was included at 100% water. The property includes the office which is used for water, wastewater, and garbage and some of the land is leased for non-utility use. In the last audit it was determined by the company's plant manager that the bill should be allocated 85% to water, 5% to wastewater, and 10% to non-utility. At that time, he also identified several real estate tax bills for easements, wells, and a lift station that were not included. These tax bills were still not included in this audit but were obtained and are shown on the attached schedule.

The company allocated personal property taxes using the fair market value shown on its personal property tax return. The attached schedule shows what property tax would have been if the cost less depreciation from the same return were used. Cost has traditionally been used as a basis in Commission proceedings because fair market value is more subjective.

On the attached schedule, adjustments to plant for future additions were also multiplied by the average tax rate determined by taking the 1999 tax divided by average test year plant before adjustments.

OPINION: Using the methodology on the attached schedule, real estate and personal property taxes should be decreased by \$3,061.85 for water and \$8,314.31 for wastewater. This would increase income tax by \$1,152.17 for water and \$3,128.67 for wastewater using the rate of 37.63%.

INDIANTOWN CO. INC.
 ANALYSIS OF PROPERTY TAX
 TEST YEAR ENDED JUNE 30, 1999

REAL ESTATE TAX 1999:	TOTAL	WATER	WASTEWATER
WATER PLANT AND OFFICES	7,819.29	6,646.40	390.96 *
SEWER PONDS	1,006.47		1,006.47
SEWER PONDS	1,051.52		1,051.52
SEWER TREATMENT PLANT	3,246.16		3,246.16
WATER EASEMENT	48.96	48.96	
FIRE HYDRANT EASEMENT	261.68	261.68	
WATER AND SEWER EASEMENT	0.00		
WELL 1/3 WATER	1,507.75	502.58	
LIFT STATION	193.69		193.69
TOTAL REAL ESTATE TAX	15,135.52	7,459.62	5,888.80 A

PERSONAL PROPERTY TAXES 1999 44,541.08 15,143.97 21,379.72 B
 ALLOCATED BASED ON COST LESS DEP. AMOUNTS 34.00% 48.00%
 ON THE PERSONAL PROPERTY TAX FILING

AVERAGE PLANT TEST YEAR 1,992,336.00 2,896,058.00
 PERCENT OF TAX TO PLANT 0.76% 0.74%

UTILITY PROFORMA'S TO PLANT 157,288.00 518,015.00

TAX ON PROFORMAS BASED ON PERCENT OF 1,195.56 3,824.17 C
 TAX TO PLANT

STAFF DETERMINATION OF TAX (A + B + C) 23,799.15 31,092.69
 USING ADDITIONAL INVOICES NOT INCLUDED,
 ALLOCATING PERSONAL BASED ON COST % AND NOT
 FAIR MARKET VALUE AND SAME FOR PROFORMA

PER COMPANY MFR B-15 26,861.00 39,407.00

DIFFERENCE (3,061.85) (8,314.31)

*: ALLOCATED AT 85% WATER, 5% WASTEWATER AND 10% NON-UTILITY PER LAST AUDIT

AUDIT EXCEPTION NO. 14

SUBJECT: BILLING ANALYSIS

STATEMENT OF FACT: The company made several errors in its billing analysis.

1. The cumulative totals do not foot. Some lines subtract usage instead of add usage.
2. For the months that the old billing system was in use, garbage customers were included in the zero use general service 5/8 x 3/4 customer number.
3. There were compilation errors.
4. The zero use customers were plugged by taking total customers less all other usage and were found to include customers who had temporary discontinuance of service according to Tariff Sheet 11, item 21. There were 401 water customer bills and 388 wastewater customer bills shown in zero usage categories that fell in this classification.
5. The company left off 221 gallons of usage for the wastewater 1" general meter billing analysis.
6. The Public Fire Protection number of bills on Filing E-2, page 1 only shows the number of bills that were accrued. The company did not accrue for the others on the ledger in 1999 and did not include the 145 hydrants that should have been billed \$76.93 each year. Revenue is understated by \$5,616.

OPINION: The total effect of the errors on the requested revenue indicate that the company will underrecover \$1,117.54 for water and \$4,186.64 for wastewater using the proposed rates. The new summary schedules follow.

New billing analysis schedules are appended in the exhibit section for all that were incorrect. Also included are schedules which summarize the errors based on misclassification between residence and business and a schedule correcting zero use customers using actual counts from the system and removing the discontinued service customers (called vacation billing by company) and the misclassifications from the other schedule.

WATER REVENUE ADJUSTED FOR CORRECTED BILLING ANALYSIS

	Filing Bills	Filing Gallons	Adjusted Bills	Adjusted Gallons	Test Year Rate	Revenue Test Year	Rates 9/99	Annualized	Requested Rates	Requested Revenue
Residential:										
5/8 gallons	18,749.00	181,273.00	18,889.00	181,242.00	7.54 1.08	142,423.06 195,741.36	7.64 1.10	144,311.96 199,366.20	12.70 1.43	239,890.30 259,176.06
General:										
5/8 gallons	1,924.00	24,431.00	1,581.00	24,820.00	7.54 1.08	11,920.74 26,805.60	7.64 1.10	12,078.84 27,302.00	12.70 1.43	20,078.70 35,492.60
1 gallons	74.00	1,978.00	78.00	1,982.00	18.86 1.08	1,471.08 2,140.56	19.12 1.10	1,491.36 2,180.20	31.75 1.43	2,476.50 2,834.26
1 1/2 gallons	57.00	2,719.00	48.00	2,717.00	37.73 1.08	1,811.04 2,934.36	38.25 1.10	1,836.00 2,988.70	63.50 1.43	3,048.00 3,885.31
2 gallons	222.00	24,720.00	234.00	24,754.00	60.36 1.08	14,124.24 26,734.32	61.20 1.10	14,320.80 27,229.40	101.60 1.43	23,774.40 35,398.22
3 gallons	11.00	81.00	11.00	81.00	113.16 1.08	1,244.76 87.48	114.73 1.10	1,262.03 89.10	190.50 1.43	2,095.50 115.83
4 gallons	12.00	5,562.00	12.00	5,562.00	188.60 1.08	2,263.20 6,006.96	191.22 1.10	2,294.64 6,118.20	317.50 1.43	3,810.00 7,953.66
6 gallons	12.00	110.00	12.00	110.00	377.22 1.08	4,526.64 118.80	382.46 1.10	4,589.52 121.00	635.00 1.43	7,620.00 157.30
8 gallons	12.00	7,540.00	12.00	7,540.00	679.00 1.08	8,148.00 8,143.20	611.93 1.10	7,343.16 8,294.00	1,143.00 1.43	13,716.00 10,782.20
Fire Protection:										
4			75.00		62.87	4,715.25	63.74	4,780.50	26.46	1,984.50
6			36.00		125.74	4,526.64	127.49	4,589.64	52.92	1,905.12
Public Fire:			145.00		76.93	11,154.85	78.00	11,310.00	0.00	
Other Water Revenue						477,042.14		483,897.25		676,184.46
Revenue Per Staff						19,912.00		19,912.00		19,912.00
Per company Schedule E-2(a)						486,954.14		503,809.25		696,106.46
Adjust for hydrants not accrued						486,870.00		508,952.00		697,224.00
						5,615.85				
						492,485.85				
Difference						4,468.29		(5,142.75)		(1,117.54)

WASTEWATER REVENUE ADJUSTED FOR CORRECTED BILLING ANALYSIS

	Filing Bills	Filing Gallons	Adjusted Bills	Adjusted Gallons	Test Year Rate	Revenue Test Year	Rates 9/99	Annualized	Requested Rates	Requested Revenue
Residential:										
5/8 gallons	18,367.00	89,967.00	18,481.00	89,921.00	12.73 1.88	235,263.13 169,051.48	12.92 1.91	238,774.52 171,749.11	21.12 3.64	390,318.72 327,312.44
General:										
5/8 gallons	1,565.00	20,500.00	1,201.00	20,262.00	12.73 1.88	15,288.73 38,092.56	12.92 1.91	15,516.92 38,700.42	21.12 4.28	25,365.12 86,721.36
1 gallons	77.00	1,757.00	78.00	1,982.00	31.81 1.88	2,481.18 3,726.16	32.28 1.91	2,517.84 3,785.62	52.80 4.28	4,118.40 8,482.96
1 1/2 gallons	55.00	2,723.00	48.00	2,723.00	63.60 1.88	3,052.80 5,119.24	64.55 1.91	3,098.40 5,200.93	105.60 4.28	5,068.80 11,654.44
2 gallons	181.00	22,694.00	190.00	22,787.00	101.75 1.88	19,332.50 42,839.56	103.27 1.91	19,621.30 43,523.17	168.96 4.28	32,102.40 97,528.36
4 gallons	12.00	5,562.00	12.00	5,562.00	317.98 1.88	3,815.78 10,456.56	322.72 1.91	3,872.64 10,623.42	528.00 4.28	6,336.00 23,805.36
Other Water Revenue						548,519.66		556,984.29		1,018,814.36
Annualized Revenue Per Staff						256.00		256.00		256.00
Annualized Per company Schedule E-2(a)						548,775.66		557,240.29		1,019,070.36
Difference						544,099.00		559,897.00		1,023,257.00
						4,676.66		(2,656.71)		(4,186.64)

	RESIDENTIAL
INCREASE IN BILLS OVER 6,000 GALLONS	10,249.00
INCREASE IN BILLS TIMES 6(MAX. GALLON RATE)	61,494.00
CUMULATIVE GALLONS AT 6,000 GALLONS USING CAP	28,427.00
	89,921.00

AUDIT DISCLOSURES

AUDIT DISCLOSURE NO. 1

SUBJECT: RATE BASE ADJUSTMENTS TO PLANT

STATEMENT OF FACT: The company increased wastewater rate base by \$435,900 on MFR A-3 page 1 for DEP Required Improvements as conditions for the permit renewal.

The company provided a more detailed schedule for these additions. Some of the smaller items have been completed. The largest items are the lime stabilization and the lime silo. Contracts have not been issued at this time. The estimates used are from Lindal Browning, the company's engineers. The operations manager has indicated that the company may be able to obtain a lower bid than the engineers estimate.

The detail follows:

Pond Meter-installed, co. used existing meter	\$ 690.95
D.O. Meter-installed	1,311.21
Baffles and CL2 Contact Tank-installed	13,440.00
Plant Meters-installed	21,171.02
Additional engineering Pond Meter-estimate	1,000.00
Additional engineering Plant Meter-estimate	6,000.00
Lime Stabilization-estimate	250,000.00
Lime Silo-estimate	110,000.00
Lime Silo and stabilization engineering-estimate	46,000.00
TOTAL	\$449,613.18
Per Adjustments to Rate Base, MFR A-3	435,900.00
Difference	\$ 13,713.18

AUDIT DISCLOSURE NO. 2

SUBJECT: ADJUSTMENTS TO OPERATING INCOME

STATEMENT OF FACT: On Schedule B-3, page 3, 5(a) of the company filing, the company increased water and wastewater expenses by \$11,400 each for Indianwood maintenance. Backup was requested from the company. According to the operations manager, this cost is for labor and is being done by the two new employees already included in the filing.

On Schedule B-3, page 2, 2(a), the company increased wastewater expense for additional testing by \$22,000. A comparison of existing testing bills to the test year does not indicate that there is an increase in testing expense. No backup could be provided to support additional testing. The company's outside engineers, Lindall Browning, did provide estimates for some additional expenses that need to be incurred because of the permit requirements. The estimates include:

Annual flushing and cleaning of sewer lines	\$ 3,000
Circuitry testing \$1500 every three years	500
Load testing of four generators	2,000
Annual flushing and cleaning of effluent disposal	2,400
Toxicity test per estimate from Short Environmental	3,200
TOTAL	\$11,100

We were unable to determine if these costs were reasonable.

On Schedule B-3, page 2, 2(l), the company increased wastewater expense for \$24,000 for engineering reports to the DEP. Lindall Browning provided estimates for the following reports:

Annual reclaimed water reuse report	\$ 2,000
Operations and maintenance performance report	6,000
Annual capacity analysis report	5,000
Annual industrial pretreatment program update	9,000
Annual ag-use plan	1,000
TOTAL	\$23,000

We were unable to determine if these costs were reasonable and whether the company actually needs engineering assistance to complete these reports.

OPINION: Water expenses should be reduced by \$11,400 and wastewater expenses by at least \$23,300. If the engineers review indicates that the above costs are not reasonable, a further reduction should be made. The income tax effect of these

adjustments would be \$4,289.82 for water and \$8,767.79 for wastewater. Working capital would be reduced by \$1,425 for water and \$2,987.50 for wastewater. The reduction is made up of the following:

	WATER	WASTEWATER
B-3, page 3, 5(a)	\$(11,400)	\$ (11,400)
B-3, page 2, 2(a)		(10,900)
B-3, page 2, 2(l)		(1,000)
TOTAL	\$(11,400)	\$(23,300)

AUDIT DISCLOSURE NO. 3

SUBJECT: CAPITAL ITEMS EXPENSED

STATEMENT OF FACTS: In August 1998, the company purchased two Quincy Compressors and two intake silencers from Power Pumps, Inc. for \$1,803.54 for the water plant. In December 1998, the company also purchased a transmitter and other miscellaneous parts for \$2,796.94 from Instruments Direct for a finished water flow meter at the water plant. The company recorded these charges to water account 620.02 Supplies Maintenance.

OPINION: These amounts appear to be for capital additions and need to be reviewed by the staff engineer. If the costs are removed, expense will decrease by \$4,600.48, income tax will increase by \$1,731.16 and working capital will decrease by \$575.06.

AUDIT DISCLOSURE NO. 4

SUBJECT: EFFLUENT DISPOSAL

STATEMENT OF FACTS: In September 1998, the company paid Erskine Florida Inc. \$5,200.00 for removal of citrus trees for Bowers tree farm. In February 1999, the company paid Knights Construction \$3,680.00 for leveling and grading of the Bowers Tree Farm to remove citrus trees from the farm for the effluent disposal.

The company recorded the expenses in wastewater account 735-Outside Services.

OPINION: The costs appear to relate to the new effluent disposal method and should be reviewed by the staff Engineer to determine if the costs should be capitalized.

This would reduce wastewater expense by \$8,880, increase income taxes by \$3,341.54 and decrease working capital by \$1,110.00.

AUDIT DISCLOSURE NO. 5

**SUBJECT: COMPANY ADJUSTMENT - MOWING & MAINTAINING
POND ENBANKMENTS**

STATEMENT OF FACTS: The company included an adjustment of \$2,000 for mowing the pond embankments and access areas and \$1,000 for aquatic weed control as part of its adjustments for the DEP permit on schedule B-3 for wastewater.

The wastewater plant is on approximately 14 acres. The company states that mowing and maintaining the pond embankments is performed semiannually by Chester Toler's Grove Service.

An invoice for mowing performed November 3 and 9, 1999 cost \$700.00. If the plant is mowed semiannually, the annual cost for mowing would be \$1,400.

It could not be determined if the proforma for Aquatic weed control is reasonable. The company stated that weed control is also performed by Chester Toler's Grove Service, but that it also purchased the chemicals used to control the weeds. An invoice for this service could not be located. Mr. Toler provided an estimate for mowing around the seven pond embankments and aquatic weed control around the ponds. Mr Toler's estimate follows:

1. Mowing Ponds four times per year at \$700.00 each cut would be \$2,800 a year.
2. Spraying weed control around the ponds four times per year at \$1500 per spray would be \$6,000 per year for application only. Chemicals would be additional.

OPINION :The engineer needs to determine how many times a year is reasonable for mowing and chemical spray in order to determine the accuracy of the proforma.

AUDIT DISCLOSURE NO. 6

SUBJECT: COMPANY ADJUSTMENT - MONITORING OF WELLS

STATEMENT OF FACTS: The company included a proforma adjustment of \$500 for monitoring five well sites. The draft of the DEP permit had initially required five well sites, the final DEP report required seven well sites. DEP subsequently reduced the amount of well sites to six. A report from the laboratories stated that it cost \$145 every quarter to monitor a well. To monitor six wells would cost \$3,480 per year.

Monitoring Wells Required By DEP	6	
Cost To Monitor Well Quarterly	\$145	
Cost To Monitor Wells Each Qtr.	\$870	
Annual Amount (Times 4)		\$3,480

OPINION :The proforma adjustment appears to be understated by \$2,980.

AUDIT DISCLOSURE NO. 7

SUBJECT: COMPANY ADJUSTMENT -SOIL TESTING

STATEMENT OF FACTS: The company included a proforma adjustment of \$6,260 for soil testing. A report from the laboratory performing soil tests stated that it would cost approximately \$73 to perform a soil test.

To comply with DEP and monitor and maintain the ph level below 4, the company calculated that approximately eighty soil tests per year are needed. The company estimates that 320 truck loads of sludge are removed from the digestors annually, and that a soil test should be performed after every four truck loads. If eighty tests are performed annually, it would cost \$5,840 per year.

Soil Testing	80 Tests * \$73	\$5,840
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OPINION: The proforma adjustment for soil testing of \$6260 is overstated by \$420.

AUDIT DISCLOSURE NO. 8

SUBJECT: LAND LEASE

STATEMENT OF FACT: The company is leasing 25.7 acres of land in Bowers Grove for the sewer plant at \$2,100 per month or \$26,964, with tax, a year for effluent disposal. The land is owned by Robert Post who is affiliated with the utility. When transactions occur with affiliates they should be compared to costs the utility would pay in an open market. Local real estate agents were contacted. One, who was familiar with the property, provided an estimate of \$400 a month or \$4,800 a year.

OPINION: The lease appears to be higher than market and needs to be reviewed by the staff engineer and adjusted to a reasonable level.

EXHIBITS

RATE BASE WATER-PER FILING

RATE BASE WASTEWATER-PER FILING

COST OF CAPITAL-PER FILING

NET OPERATING INCOME WATER-PER FILING

NET OPERATING INCOME WASTEWATER-PER FILING

ANALYSIS OF ADJUSTMENTS TO BILLING ANALYSIS BY STAFF

NEW BILLING ANALYSIS-PER STAFF

Company: Indiantown Company, Inc.
 Docket No.: 990939-WS
 Schedule Year Ended: June 30, 1999
 Interim [] Final [X]
 Historic [X] Projected []

Schedule: A-1
 Page 1 of 1
 Preparer: CJN & W

Explanation: Provide the calculation of average rate base for the test year, showing all adjustments. All non-used and useful items should be reported as Plant Held For Future Use. If method other than formula approach (1/8 O&M) is used to determine working capital, provide additional schedule showing detail calculation.

Line No.	(1) Description	(2) Balance Per Books	(3) A-3 Utility Adjustments	(4) Adjusted Utility Balance	(5) Supporting Schedule(s)
1	Utility Plant in Service	\$ 1,992,336	\$ 157,288 (A)	\$ 2,149,624	A-5
2	Utility Land & Land Rights			-	A-5
3	Less: Non-Used & Useful Plant			-	A-7
4	Construction Work in Progress				-
5	Less: Accumulated Depreciation	(931,413)	(12,092) (C)	(943,505)	A-9
6	Less: CIAC	(919,449)		(919,449)	A-12
7	Accumulated Amortization of CIAC	276,517		276,517	A-14
8	Acquisition Adjustments				-
9	Accum. Amort. of Acq. Adjustments				-
10	Advances For Construction				A-16
11	Working Capital Allowance	<u>75,712</u>	<u>(13,290) (D)</u>	<u>62,422</u>	A-17
12	Total Rate Base	<u>\$ 493,703</u>	<u>\$ 131,906</u>	<u>\$ 625,609</u>	

Company: Indiantown Company, Inc.

Docket No.: 990939-WS

Schedule Year Ended: June 30, 1999

Interim [] Final [X]

Historic [X] Projected []

Schedule: A-2

Page 1 of 1

Preparer: CJN & W

Explanation: Provide the calculation of average rate base for the test year, showing all adjustments. All non-used and useful items should be reported as Plant Held For Future Use. If method other than formula approach (1/8 O&M) is used to determine working capital, provide additional schedule showing detail calculation.

Line No.	(1) Description	(2) Balance Per Books	(3) A-3 Utility Adjustments	(4) Adjusted Utility Balance	(5) Supporting Schedule(s)
1	Utility Plant in Service	\$ 2,896,058	\$ 518,015 (A)	\$ 3,414,073	A-6
2	Utility Land & Land Rights			-	A-6
3	Less: Non-Used & Useful Plant	(281,261)	(152,323) (B)	(433,584)	A-7
4	Construction Work in Progress			-	
5	Less: Accumulated Depreciation	(1,415,899)	(21,579) (C)	(1,437,478)	A-10
6	Less: CIAC	(1,008,481)		(1,008,481)	A-12
7	Accumulated Amortization of CIAC	373,059		373,059	A-14
8	Acquisition Adjustments			-	
9	Accum. Amort. of Acq. Adjustments			-	
10	Advances For Construction				A-16
11	Working Capital Allowance	90,423	1,360 (D)	91,783	A-17
12	Total Rate Base	\$ 653,899	\$ 345,473	\$ 999,372	

**Schedule of Requested Cost of Capital (Final Rates)
Beginning and End of Year Average**

Florida Public Service Commission

**Company: Indiantown Company, Inc.
Docket No.: 990939-WS
Test Year Ended: June 30, 1999
Schedule Year Ended: June 30, 1999
Historic [] or Projected [X]**

**Schedule: D-1
Page 1 of 2
Preparer: CJN & W**

Subsidiary [] or Consolidated []

Explanation: Provide a schedule which calculates the requested Cost of Capital on a beginning and end of year average basis. If a year-end basis is used, submit an additional schedule reflecting year-end calculations.

Line No.		(1)	(2)	(3)	(4)
		Total Capital	Ratio	Cost Rate	Weighted Cost
1	Long-Term Debt	-	%	%	%
2	Short-Term Debt				
3	Preferred Stock				
4	Customer Deposits	46,741	2.88	6.00	0.17
5	Common Equity	1,449,456	89.20	9.02	8.05
6	Tax Credits - Zero Cost				
7	Accumulated Deferred Income Tax	128,784	7.92		
8	Other (Explain)				
9	Total	1,624,981	100.00 %		8.22 %

Company: Indiantown Company, Inc.

Schedule: B-1

Docket No.: 990939-WS

Page 1 of 1

Test Year Ended: June 30, 1999

Preparer: CJN & W

Interim Final Historic or Projected

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Test Year Adjustments	(4) Utility Adjusted Test Year	(5) Requested Revenue Adjustment	(6) Requested Annual Revenues	(7) Supporting Schedule(s)
1	OPERATING REVENUES	\$ 486,870	\$ 22,082 (A)	\$ 508,952	\$ 188,272 (E)	\$ 697,224	B-4, E-13
2	Operation & Maintenance	605,699	(173,925) (B)	431,774	67,606 (F)	499,380	B-5, B-3
3	Depreciation, net of CIAC Amort.	39,170		39,170	12,092 (G)	51,262	B-13, B-3
4	Amortization				5,947 (H)	5,947	B-3
5	Taxes Other Than Income	58,189	994 (D)	59,183	13,584 (I)	72,767	B-15, B-3
6	Provision for Income Taxes		-	-	16,443 (J)	16,443	C-1, B-3
7	OPERATING EXPENSES	703,058	(172,931)	530,127	115,672	645,799	
8	NET OPERATING INCOME	\$ (216,188)	\$ 195,013	\$ (21,175)	\$ 72,600	\$ 51,425	
9	RATE BASE	\$ 493,703		\$ 625,609		\$ 625,609	
10	RATE OF RETURN	-	%	-	%	8.22	%

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Test Year Adjustments	(4) Utility Adjusted Test Year	(5) Requested Revenue Adjustment	(6) Requested Annual Revenues	(7) Supporting Schedule(s)
1	OPERATING REVENUES	\$ 544,099	\$ 15,798 (A)	\$ 559,897	\$ 463,360 (E)	\$ 1,023,257	B-4, E-13
2	Operation & Maintenance	723,387	(169,477) (B)	553,910	180,356 (F)	734,266	B-5, B-3
3	Depreciation, net of CIAC Amort	72,823	(25,139) (C)	47,684	22,315 (G)	69,999	B-13, B-3
4	Amortization				5,947 (H)	5,947	B-3
5	Taxes Other Than Income	70,889	711 (D)	71,600	30,559 (I)	102,159	B-15, B-3
6	Provision for Income Taxes		-	-	28,738 (J)	28,738	C-1, B-3
7	OPERATING EXPENSES	867,099	(193,905)	673,194	267,915	941,109	
8	NET OPERATING INCOME	\$ (323,001)	\$ 209,703	\$ (113,298)	\$ 195,446	\$ 82,148	
9	RATE BASE	\$ 653,899		\$ 999,372		\$ 999,372	
10	RATE OF RETURN	-	%	-	%	8.22	%

ZERO USAGE ADJUSTMENT

SERVICE TYPE	CODE	PER BILLING ANALYSIS	COMSOFT REPORT TOTALS	LESS VACATION BILLED \$0	REMOVE WATER ONLY	ADJUST FOR MISCLASS	ADJUSTED COMSOFT	NEW BILLING TOTALS	LESS VACATION BILLED \$0	ADJUSTED NEW BILLING	NET PER AUDIT	DIFFERENCE	TOTAL VACATION
WATER RES. 5/8 X 3/4	R1	566	767	(242)		(7)	518	322	(150)	172	690	124	(392)
WATER GEN. 5/8 X 3/4	C1	520	81			7	88	78	(5)	73	161	(359)	(5)
WATER GEN. 1"	C2	2	4				4	0		0	4	2	0
WATER GEN. 1 1/2"	C3	12	1				1	4	(4)	0	1	(11)	(4)
WATER GEN. 2"	C4	0	1				1	0		0	1	1	0
WATER GEN. 3"	C5	1	1				1	0		0	1	0	0
WATER GEN. 4"	C6	0					0	0		0	0	0	0
WATER GEN. 6"	C7	0					0	0		0	0	0	0
WATER GEN. 8" TURBO		0					0	0		0	0	0	0
		1,101	855	(242)	0	0	613	404	(159)	245	858	(243)	(401)

SERVICE TYPE	CODE	PER BILLING ANALYSIS	COMSOFT REPORT TOTALS	LESS VACATION BILLED \$0	REMOVE WATER ONLY	ADJUST FOR MISCLASS	ADJUSTED COMSOFT	NEW BILLING TOTALS	LESS VACATION BILLED \$0	ADJUSTED NEW BILLING	NET PER AUDIT	DIFFERENCE	TOTAL VACATION
WASTEWATER RES. 5/8 X 3/4	R1	562	767	(242)	(11)	(3)	511	310	(141)	169	680	118	(383)
WASTEWATER GEN. 5/8 X 3/4	C1	450	40			3	43	62	(5)	57	100	(350)	(5)
WASTEWATER GEN. 1"	C2	6	4				4	0		0	4	(2)	0
WASTEWATER GEN. 1 1/2"	C3	8	1				1	0		0	1	(7)	0
WASTEWATER GEN. 2"	C4	0					0	0		0	0	0	0
WASTEWATER GEN. 4"	C5	0					0	0		0	0	0	0
		1,026	812	(242)	(11)	0	559	372	(146)	226	785	(241)	(388)

CUSTOMERS WHICH WERE MISCLASSIFIED AS RESIDENCE AND BUSINESS
AND WRONG METER SIZE

	BACKUP RESIDENCE WATER 5/8 X 3/4	ADJUSTMENTS MADE BY CO. RES. WATER 5/8 X 3/4	DIFFERENCE	BACKUP GENERAL WATER 5/8 X 3/4	BACKUP GENERAL WATER 2"	BACKUP RESIDENCE WASTEWATER 5/8 X 3/4	BACKUP GENERAL WASTEWATER 5/8 X 3/4	ADJUSTMENTS MADE BY CO. RES. WATER 5/8 X 3/4	DIFFERENCE	BACKUP GENERAL WASTEWATER 2"
0	-7		-7	7		-3	3		3	
1	-1	-2	1	1		0	0	2	-2	
2	4		4	-4		5	-5	1	-6	
4	0		0	0		1	-1	1	-2	
8			0	-1	1		-1		-1	1
7		-1	1						0	
10			0	-1	1		-1		-1	1
11		-10	10						0	
13	-1		-1	1		-1	1	1	0	
14	-1		-1	1		-1	1	1	0	
16	-1		-1	1		-1	1	1	0	
17	-1		-1	1		-1	1	1	0	
18	-1		-1	1		-1	1	2	-1	
23		-5	5					1	-1	
24	-1		-1	1		-1	1	1	0	
25	-1		-1	1		-1	1	2	-1	
27	-1	-1	0	1		-1	1	1	0	
28	-3		-3	3		-3	3	3	0	
30	-1		-1	1		-1	1	1	0	
31								1	-1	
35	-1		-1	1		-1	1	1	0	
36		-1	1					1	0	
41	-1	-1	0	1		-1	1	1	0	
42		-1	1						0	
44								1	-1	
55		-1	1						0	
58	-1		-1	1		-1	1	1	0	
63			0	-1	1		-1		-1	1
83	-1		-1	1		-1	1	1	0	

45

* COMPANY DID NOT MAKE ANY ADJUSTMENTS TO THE OTHER METER TYPES

BILLING ANALYSIS
WATER
RESIDENTIAL
5/8 X 3/4

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	566	124	690	690	0	0	18,199	0	0.00%
1	756	1	757	1,447	757	757	17,442	18,199	10.04%
2	1,138	4	1,142	2,589	2,284	3,041	16,300	35,641	19.66%
3	1,408		1,408	3,997	4,224	7,265	14,892	51,941	28.66%
4	1,537		1,537	5,534	6,148	13,413	13,355	66,833	36.88%
5	1,491		1,491	7,025	7,455	20,868	11,864	80,188	44.24%
6	1,369		1,369	8,394	8,214	29,082	10,495	92,052	50.79%
7	1,236	1	1,237	9,631	7,787	37,741	9,258	102,547	56.58%
8	1,137		1,137	10,768	9,096	46,837	8,121	111,805	61.69%
9	1,015		1,015	11,783	9,135	55,972	7,106	119,926	66.17%
10	879		879	12,662	8,790	64,762	6,227	127,032	70.09%
11	810	10	820	13,482	9,020	73,782	5,407	133,259	73.53%
12	684		684	14,166	8,208	81,990	4,723	138,666	76.51%
13	600	(1)	599	14,765	7,787	89,777	4,124	143,389	79.11%
14	524	(1)	523	15,288	7,322	97,099	3,601	147,513	81.39%
15	460		460	15,748	6,900	103,999	3,141	151,114	83.38%
16	400	(1)	399	16,147	6,384	110,383	2,742	154,255	85.11%
17	378	(1)	377	16,524	6,409	116,792	2,365	156,997	86.62%
18	312	(1)	311	16,835	5,598	122,390	2,054	159,362	87.93%
19	280		280	17,115	5,320	127,710	1,774	161,416	89.06%
20	249		249	17,364	4,980	132,690	1,525	163,190	90.04%
21	211		211	17,575	4,431	137,121	1,314	164,715	90.88%
22	136		136	17,711	2,992	140,113	1,178	166,029	91.61%
23	163	5	168	17,879	3,864	143,977	1,010	167,207	92.26%
24	134	(1)	133	18,012	3,192	147,169	877	168,217	92.81%
25	105	(1)	104	18,116	2,600	149,769	773	169,094	93.30%
26	70		70	18,186	1,820	151,589	703	169,867	93.72%
27	75		75	18,261	2,025	153,614	628	170,570	94.11%
28	67	(3)	64	18,325	1,792	155,406	564	171,198	94.46%
29	49		49	18,374	1,421	156,827	515	171,762	94.77%
30	52	(1)	51	18,425	1,530	158,357	464	172,277	95.05%
31	35		35	18,460	1,085	159,442	429	172,741	95.31%
32	33		33	18,493	1,056	160,498	396	173,170	95.55%
33	29		29	18,522	957	161,455	367	173,566	95.76%
34	24		24	18,546	816	162,271	343	173,933	95.97%
35	23	(1)	22	18,568	770	163,041	321	174,276	96.16%
36	23	1	24	18,592	864	163,905	297	174,597	96.33%
37	17		17	18,609	629	164,534	280	174,894	96.50%
38	13		13	18,622	494	165,028	267	175,174	96.65%
39	21		21	18,643	819	165,847	246	175,441	96.80%
40	19		19	18,662	760	166,607	227	175,687	96.94%
41	15		15	18,677	615	167,222	212	175,914	97.06%
42	13	1	14	18,691	588	167,810	198	176,126	97.18%
43	12		12	18,703	516	168,326	186	176,324	97.29%
44	11		11	18,714	484	168,810	175	176,510	97.39%
45	10		10	18,724	450	169,260	165	176,685	97.49%
46	10		10	18,734	460	169,720	155	176,850	97.58%
47	9		9	18,743	423	170,143	146	177,005	97.66%
48	15		15	18,758	720	170,863	131	177,151	97.74%
49	5		5	18,763	245	171,108	126	177,282	97.82%
50	8		8	18,771	400	171,508	118	177,408	97.88%
51	4		4	18,775	204	171,712	114	177,526	97.95%
52	6		6	18,781	312	172,024	108	177,640	98.01%
53	5		5	18,786	265	172,289	103	177,748	98.07%
54	4		4	18,790	216	172,505	99	177,851	98.13%
55	8	1	9	18,799	495	173,000	90	177,950	98.18%
56	1		1	18,800	56	173,056	89	178,040	98.23%
57	2		2	18,802	114	173,170	87	178,129	98.28%
58	7	(1)	6	18,808	348	173,518	81	178,216	98.33%
59	2		2	18,810	118	173,636	79	178,297	98.38%
60	3		3	18,813	180	173,816	76	178,376	98.42%
61	2		2	18,815	122	173,938	74	178,452	98.46%
62	4		4	18,819	248	174,186	70	178,526	98.50%
63	2		2	18,821	126	174,312	68	178,596	98.54%
64	4		4	18,825	256	174,568	64	178,664	98.58%
65	4		4	18,829	260	174,828	60	178,728	98.61%
66	2		2	18,831	132	174,960	58	178,788	98.65%
67	3		3	18,834	201	175,161	55	178,846	98.68%
68	2		2	18,836	136	175,297	53	178,901	98.71%
69	6		6	18,842	414	175,711	47	178,954	98.74%
70	3		3	18,845	210	175,921	44	179,001	98.76%
71	1		1	18,846	71	175,992	43	179,045	98.79%
72	2		2	18,848	144	176,136	41	179,088	98.81%
73	1		1	18,849	73	176,209	40	179,129	98.83%
74	2		2	18,851	148	176,357	38	179,169	98.86%
75	2		2	18,853	150	176,507	36	179,207	98.88%
76	1		1	18,854	76	176,583	35	179,243	98.90%

**BILLING ANALYSIS
WATER
RESIDENTIAL
5/8 X 3/4**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
78	1		1	18,855	78	176,661	34	179,313	98.94%
79	3		3	18,858	237	176,898	31	179,347	98.95%
81	3		3	18,861	243	177,141	28	179,409	98.99%
82	2		2	18,863	164	177,305	26	179,437	99.00%
83	2	(1)	1	18,864	83	177,388	25	179,463	99.02%
85	1		1	18,865	85	177,473	24	179,513	99.05%
86	2		2	18,867	172	177,645	22	179,537	99.06%
88	2		2	18,869	176	177,821	20	179,581	99.08%
89	1		1	18,870	89	177,910	19	179,601	99.09%
93	2		2	18,872	186	178,096	17	179,677	99.14%
97	1		1	18,873	97	178,193	16	179,745	99.17%
101	1		1	18,874	101	178,294	15	179,809	99.21%
102	2		2	18,876	204	178,498	13	179,824	99.22%
107	3		3	18,879	321	178,819	10	179,869	99.25%
113	1		1	18,880	113	178,932	9	179,949	99.29%
118	1		1	18,881	118	179,050	8	179,994	99.31%
121	1		1	18,882	121	179,171	7	180,018	99.32%
127	1		1	18,883	127	179,298	6	180,060	99.35%
129	1		1	18,884	129	179,427	5	180,072	99.35%
151	1		1	18,885	151	179,578	4	180,182	99.42%
171	1		1	18,886	171	179,749	3	180,262	99.46%
189	1		1	18,887	189	179,938	2	180,316	99.49%
213	1		1	18,888	213	180,151	1	180,364	99.52%
1,091	1		1	18,889	1,091	181,242	0	181,242	100.00%
PER COMPANY FILING DIFFERENCE				18,749		181,273			(31)
				140					

BILLING ANALYSIS
WATER
GENERAL
6/8 X 3/4

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	520	(359)	161	161	0	0	1,420	0	0.00%
1	214	1	215	376	215	215	1,205	1,420	5.72%
2	144	(4)	140	516	280	495	1,085	2,625	10.58%
3	118		118	634	354	849	947	3,690	14.87%
4	75		75	709	300	1,149	872	4,637	18.68%
5	71		71	780	355	1,504	801	5,509	22.20%
6	63		63	843	378	1,882	738	6,310	25.42%
7	38		38	881	266	2,148	700	7,048	28.40%
8	41	(1)	40	921	320	2,468	660	7,748	31.22%
9	58		58	979	522	2,990	602	8,408	33.88%
10	35		35	1,014	350	3,340	567	9,010	36.30%
11	31		31	1,045	341	3,681	536	9,577	38.59%
12	28		28	1,071	312	3,993	510	10,113	40.75%
13	28	1	29	1,100	377	4,370	481	10,623	42.80%
14	23	1	24	1,124	336	4,706	457	11,104	44.74%
15	25		25	1,149	375	5,081	432	11,561	46.58%
16	18	1	19	1,168	304	5,385	413	11,993	48.32%
17	28	1	29	1,197	493	5,878	384	12,406	49.98%
18	25	1	26	1,223	468	6,346	358	12,790	51.53%
19	15		15	1,238	285	6,631	343	13,148	52.97%
20	21		21	1,259	420	7,051	322	13,491	54.36%
21	15		15	1,274	315	7,366	307	13,813	55.65%
22	9		9	1,283	198	7,564	298	14,120	56.89%
23	10		10	1,293	230	7,794	288	14,418	58.09%
24	19	1	20	1,313	480	8,274	268	14,706	59.25%
25	11	1	12	1,325	300	8,574	256	14,974	60.33%
26	12		12	1,337	312	8,886	244	15,230	61.36%
27	16	1	17	1,354	459	9,345	227	15,474	62.34%
28	11	3	14	1,368	392	9,737	213	15,701	63.26%
29	11		11	1,379	319	10,056	202	15,914	64.12%
30	9		9	1,388	270	10,326	193	16,116	64.93%
31	8		8	1,396	248	10,574	185	16,309	65.71%
32	7		7	1,403	224	10,798	178	16,494	66.45%
33	9		9	1,412	297	11,095	169	16,672	67.17%
34	11		11	1,423	374	11,469	158	16,841	67.85%
35	7	1	8	1,431	280	11,749	150	16,999	68.49%
36	14		14	1,445	504	12,253	136	17,149	69.09%
37	7		7	1,452	259	12,512	129	17,285	69.64%
38	2		2	1,454	76	12,588	127	17,414	70.16%
39	6		6	1,460	234	12,822	121	17,541	70.67%
40	4		4	1,464	160	12,982	117	17,662	71.16%
41	4	1	5	1,469	205	13,187	112	17,779	71.63%
42	3		3	1,472	126	13,313	109	17,891	72.08%
43	6		6	1,478	258	13,571	103	18,000	72.52%
44	5		5	1,483	220	13,791	98	18,103	72.94%
45	3		3	1,486	135	13,926	95	18,201	73.33%
46	2		2	1,488	92	14,018	93	18,296	73.71%
47	7		7	1,495	329	14,347	86	18,389	74.09%
48	3		3	1,498	144	14,491	83	18,475	74.44%
49	2		2	1,500	98	14,589	81	18,558	74.77%
50	2		2	1,502	100	14,689	79	18,639	75.10%
51	5		5	1,507	255	14,944	74	18,718	75.41%
52	2		2	1,509	104	15,048	72	18,792	75.71%
53	1		1	1,510	53	15,101	71	18,864	76.00%
54	2		2	1,512	108	15,209	69	18,935	76.29%
55	1		1	1,513	55	15,264	68	19,004	76.57%
56	1		1	1,514	56	15,320	67	19,072	76.84%
57	2		2	1,516	114	15,434	65	19,139	77.11%
58		1	1	1,517	58	15,492	64	19,204	77.37%
59	3		3	1,520	177	15,669	61	19,268	77.63%
60	1		1	1,521	60	15,729	60	19,329	77.88%
61	1		1	1,522	61	15,790	59	19,389	78.12%
62	1		1	1,523	62	15,852	58	19,448	78.36%
63	2	(1)	1	1,524	63	15,915	57	19,506	78.59%
64	2		2	1,526	128	16,043	55	19,563	78.82%
65	2		2	1,528	130	16,173	53	19,618	79.04%
66	1		1	1,529	66	16,239	52	19,671	79.25%
68	1		1	1,530	68	16,307	51	19,775	79.67%
69	1		1	1,531	69	16,376	50	19,826	79.88%
70	1		1	1,532	70	16,446	49	19,876	80.08%
72	1		1	1,533	72	16,518	48	19,974	80.48%
73	1		1	1,534	73	16,591	47	20,022	80.67%
75	2		2	1,536	150	16,741	45	20,116	81.05%
76	4		4	1,540	304	17,045	41	20,161	81.23%
78	1		1	1,541	78	17,123	40	20,243	81.56%
83	2	1	3	1,544	249	17,372	37	20,443	82.37%
88	1		1	1,545	88	17,460	36	20,628	83.11%

**BILLING ANALYSIS
WATER
GENERAL
5/8 X 3/4**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
91	2			2	1,547	182	34	20,736	83.55%
92	1			1	1,548	92	33	20,770	83.68%
95	2			2	1,550	190	31	20,869	84.08%
97	1			1	1,551	97	30	20,931	84.33%
98	1			1	1,552	98	29	20,961	84.45%
99	1			1	1,553	99	28	20,990	84.57%
100	1			1	1,554	100	27	21,018	84.68%
105	1			1	1,555	105	26	21,153	85.23%
109	1			1	1,556	109	25	21,257	85.64%
112	1			1	1,557	112	24	21,332	85.95%
122	1			1	1,558	122	23	21,572	86.91%
131	1			1	1,559	131	22	21,779	87.75%
134	1			1	1,560	134	21	21,845	88.01%
136	1			1	1,561	136	20	21,887	88.18%
137	1			1	1,562	137	19	21,907	88.26%
138	2			2	1,564	276	17	21,926	88.34%
140	1			1	1,565	140	16	21,960	88.48%
152	1			1	1,566	152	15	22,152	89.25%
155	1			1	1,567	155	14	22,197	89.43%
173	1			1	1,568	173	13	22,449	90.45%
183	1			1	1,569	183	12	22,579	90.97%
211	1			1	1,570	211	11	22,915	92.32%
216	1			1	1,571	216	10	22,970	92.55%
229	1			1	1,572	229	9	23,100	93.07%
255	1			1	1,573	255	8	23,334	94.01%
257	1			1	1,574	257	7	23,350	94.08%
334	1			1	1,575	334	6	23,889	96.25%
408	1			1	1,576	408	5	24,333	98.04%
444	1			1	1,577	444	4	24,513	98.76%
462	1			1	1,578	462	3	24,585	99.05%
488	1			1	1,579	488	2	24,663	99.37%
560	1			1	1,580	560	1	24,807	99.95%
573	1			1	1,581	573	0	24,820	100.00%
PER COMPANY					1,924			24,431	
DIFFERENCE					(343)			389	

BILLING ANALYSIS
WATER
GENERAL
1"

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	2	2	4	4	0	0	74	0	0.00%
1	7		7	11	7	7	67	74	3.73%
2	1		1	12	2	9	66	141	7.11%
4	3		3	15	12	21	63	273	13.77%
5	3		3	18	15	36	60	336	16.95%
6	4		4	22	24	60	56	396	19.98%
7	7		7	29	49	109	49	452	22.81%
8	2		2	31	16	125	47	501	25.28%
9	1		1	32	9	134	46	548	27.65%
10	5		5	37	50	184	41	594	29.97%
11	1		1	38	11	195	40	635	32.04%
12	2		2	40	24	219	38	675	34.06%
13	3		3	43	39	258	35	713	35.97%
14	2		2	45	28	286	33	748	37.74%
16	2		2	47	32	318	31	814	41.07%
17	2		2	49	34	352	29	845	42.63%
19	1		1	50	19	371	28	903	45.56%
20	1		1	51	20	391	27	931	46.97%
22	2		2	53	44	435	25	985	49.70%
23	1		1	54	23	458	24	1,010	50.96%
26	1		1	55	26	484	23	1,082	54.59%
28	5		5	60	140	624	18	1,128	56.91%
29	2		2	62	58	682	16	1,146	57.82%
30	1		1	63	30	712	15	1,162	58.63%
32	1		1	64	32	744	14	1,192	60.14%
33	1		1	65	33	777	13	1,206	60.85%
34	1		1	66	34	811	12	1,219	61.50%
36	2		2	68	72	883	10	1,243	62.71%
37	1		1	69	37	920	9	1,253	63.22%
45	1		1	70	45	965	8	1,325	66.85%
52	1		1	71	52	1,017	7	1,381	69.68%
72	1		1	72	72	1,089	6	1,521	76.74%
96	1		1	73	96	1,185	5	1,665	84.01%
132	1		1	74	132	1,317	4	1,845	93.09%
133	1		1	75	133	1,450	3	1,849	93.29%
143	1		1	76	143	1,593	2	1,879	94.80%
168	1		1	77	168	1,761	1	1,929	97.33%
221	1		1	78	221	1,982	0	1,982	100.00%
PER COMPANY DIFFERENCE				74		1,978			
				4		4			

**BILLING ANALYSIS
WATER
GENERAL
1 1/2"**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	12	(11)	1	1	0	0	47	0	0.00%
1	1		1	2	1	1	46	47	1.73%
3	4		4	6	12	13	42	139	5.12%
4	5		5	11	20	33	37	181	6.66%
5	2		2	13	10	43	35	218	8.02%
10	1		1	14	10	53	34	393	14.46%
12	1		1	15	12	65	33	461	16.97%
13	1		1	16	13	78	32	494	18.18%
14	1		1	17	14	92	31	526	19.36%
15	2		2	19	30	122	29	557	20.50%
17	1		1	20	17	139	28	615	22.64%
36	2		2	22	72	211	26	1,147	42.22%
37	2		2	24	74	285	24	1,173	43.17%
38	2		2	26	76	361	22	1,197	44.06%
40	3		3	29	120	481	19	1,241	45.68%
41	1		1	30	41	522	18	1,260	46.37%
44	1		1	31	44	566	17	1,314	48.36%
45	1		1	32	45	611	16	1,331	48.89%
46	1		1	33	46	657	15	1,347	49.58%
49	1		1	34	49	706	14	1,392	51.23%
50	1		1	35	50	756	13	1,406	51.75%
52	1		1	36	52	808	12	1,432	52.71%
62	1		1	37	62	870	11	1,552	57.12%
88	1		1	38	88	958	10	1,838	67.65%
94	1		1	39	94	1,052	9	1,898	69.86%
95	1		1	40	95	1,147	8	1,907	70.19%
126	1		1	41	126	1,273	7	2,155	79.32%
131	1		1	42	131	1,404	6	2,190	80.60%
136	1		1	43	136	1,540	5	2,220	81.71%
168	1		1	44	168	1,708	4	2,380	87.60%
169	1		1	45	169	1,877	3	2,384	87.74%
259	1		1	46	259	2,136	2	2,654	97.68%
267	1		1	47	267	2,403	1	2,670	98.27%
314	1		1	48	314	2,717	0	2,717	100.00%
PER COMPANY DIFFERENCE				57 (9)		2,719 (2)			

**BILLING ANALYSIS
WATER
GENERAL
2"**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	0	1	1	1	0	0	233	0	0.00%
1	2		2	3	2	2	231	233	0.94%
2	7		7	10	14	16	224	464	1.87%
3	6		6	16	18	34	218	688	2.78%
4	2		2	18	8	42	216	906	3.66%
5	9		9	27	45	87	207	1,122	4.53%
6	5		5	32	30	117	202	1,329	5.37%
7	2		2	34	14	131	200	1,531	6.18%
8	4	1	5	39	40	171	195	1,731	6.99%
9	3		3	42	27	198	192	1,926	7.78%
10	5	1	6	48	60	258	186	2,118	8.56%
11	2		2	50	22	280	184	2,304	9.31%
12	2		2	52	24	304	182	2,488	10.05%
13	1		1	53	13	317	181	2,670	10.79%
14	2		2	55	28	345	179	2,851	11.52%
15	5		5	60	75	420	174	3,030	12.24%
16	1		1	61	16	436	173	3,204	12.94%
17	2		2	63	34	470	171	3,377	13.64%
18	3		3	66	54	524	168	3,548	14.33%
19	1		1	67	19	543	167	3,716	15.01%
20	1		1	68	20	563	166	3,883	15.69%
22	2		2	70	44	607	164	4,215	17.03%
23	3		3	73	69	676	161	4,379	17.69%
25	3		3	76	75	751	158	4,701	18.99%
26	1		1	77	26	777	157	4,859	19.63%
27	2		2	79	54	831	155	5,016	20.26%
28	1		1	80	28	859	154	5,171	20.89%
29	4		4	84	116	975	150	5,325	21.51%
30	1		1	85	30	1,005	149	5,475	22.12%
32	1		1	86	32	1,037	148	5,773	23.32%
33	3		3	89	99	1,136	145	5,921	23.92%
34	2		2	91	68	1,204	143	6,066	24.51%
35	2		2	93	70	1,274	141	6,209	25.08%
36	2		2	95	72	1,346	139	6,350	25.65%
37	2		2	97	74	1,420	137	6,489	26.21%
38	1		1	98	38	1,458	136	6,626	26.77%
39	1		1	99	39	1,497	135	6,762	27.32%
41	2		2	101	82	1,579	133	7,032	28.41%
42	1		1	102	42	1,621	132	7,165	28.94%
44	1		1	103	44	1,665	131	7,429	30.01%
45	1		1	104	45	1,710	130	7,560	30.54%
46	2		2	106	92	1,802	128	7,690	31.07%
48	1		1	107	48	1,850	127	7,946	32.10%
49	3		3	110	147	1,997	124	8,073	32.61%
50	2		2	112	100	2,097	122	8,197	33.11%
53	3		3	115	159	2,256	119	8,563	34.59%
54	6		6	121	324	2,580	113	8,682	35.07%
55	1		1	122	55	2,635	112	8,795	35.53%
56	1		1	123	56	2,691	111	8,907	35.98%
57	1		1	124	57	2,748	110	9,018	36.43%
58	1		1	125	58	2,806	109	9,128	36.87%
60	1		1	126	60	2,866	108	9,346	37.76%
62	1		1	127	62	2,928	107	9,562	38.63%
63	1	1	1	128	63	2,991	106	9,669	39.06%
65	1		1	129	65	2,993	105	9,818	39.66%
68	1		1	130	68	3,061	104	10,133	40.93%
69	1		1	131	69	3,130	103	10,237	41.35%
70	1		1	132	70	3,200	102	10,340	41.77%
72	3		3	135	216	3,416	99	10,544	42.60%
77	4		4	139	308	3,724	95	11,039	44.59%
78	1		1	140	78	3,802	94	11,134	44.98%
81	4		4	144	324	4,126	90	11,416	46.12%
84	1		1	145	84	4,210	89	11,686	47.21%
86	2		2	147	172	4,382	87	11,864	47.93%
87	3		3	150	261	4,643	84	11,951	48.28%
89	1		1	151	89	4,732	83	12,119	48.96%
90	1		1	152	90	4,822	82	12,202	49.29%
91	1		1	153	91	4,913	81	12,284	49.62%
94	2		2	155	188	5,101	79	12,527	50.61%
97	1		1	156	97	5,198	78	12,764	51.56%
98	1		1	157	98	5,296	77	12,842	51.88%
99	1		1	158	99	5,395	76	12,919	52.19%
100	2		2	160	200	5,595	74	12,995	52.50%
101	1		1	161	101	5,696	73	13,069	52.80%
107	1		1	162	107	5,803	72	13,507	54.56%
108	1		1	163	108	5,911	71	13,579	54.86%
116	1		1	164	116	6,027	70	14,147	57.15%

BILLING ANALYSIS
 WATER
 GENERAL
 2"

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
120	1		1	165	120	6,147	69	14,427	58.28%
121	1		1	166	121	6,268	68	14,496	58.56%
126	1		1	167	126	6,394	67	14,836	59.93%
136	1		1	168	136	6,530	66	15,506	62.64%
146	1		1	169	146	6,676	65	16,166	65.31%
148	1		1	170	148	6,824	64	16,296	65.83%
150	1		1	171	150	6,974	63	16,424	66.35%
152	2		2	173	304	7,278	61	16,550	66.86%
154	1		1	174	154	7,432	60	16,672	67.35%
157	2		2	176	314	7,746	58	16,852	68.08%
162	2		2	178	324	8,070	56	17,142	69.25%
169	2		2	180	338	8,408	54	17,534	70.83%
170	1		1	181	170	8,578	53	17,588	71.05%
175	2		2	183	350	8,928	51	17,853	72.12%
182	1		1	184	182	9,110	50	18,210	73.56%
183	1		1	185	183	9,293	49	18,260	73.77%
187	1		1	186	187	9,480	48	18,456	74.56%
189	2		2	188	378	9,858	46	18,552	74.95%
193	1		1	189	193	10,051	45	18,736	75.69%
196	1		1	190	196	10,247	44	18,871	76.23%
199	1		1	191	199	10,446	43	19,003	76.77%
210	1		1	192	210	10,656	42	19,476	78.68%
221	1		1	193	221	10,877	41	19,938	80.54%
222	2		2	195	444	11,321	39	19,979	80.71%
225	1		1	196	225	11,546	38	20,096	81.18%
227	1		1	197	227	11,773	37	20,172	81.49%
244	1		1	198	244	12,017	36	20,801	84.03%
246	1		1	199	246	12,263	35	20,873	84.32%
247	1		1	200	247	12,510	34	20,908	84.46%
248	1		1	201	248	12,758	33	20,942	84.60%
253	1		1	202	253	13,011	32	21,107	85.27%
255	2		2	204	510	13,521	30	21,171	85.53%
261	1		1	205	261	13,782	29	21,351	86.25%
264	1		1	206	264	14,046	28	21,438	86.60%
269	1		1	207	269	14,315	27	21,578	87.17%
274	1		1	208	274	14,589	26	21,713	87.72%
275	1		1	209	275	14,864	25	21,739	87.82%
283	1		1	210	283	15,147	24	21,939	88.63%
287	1		1	211	287	15,434	23	22,035	89.02%
292	1		1	212	292	15,726	22	22,150	89.48%
295	1		1	213	295	16,021	21	22,216	89.75%
298	1		1	214	298	16,319	20	22,279	90.00%
299	1		1	215	299	16,618	19	22,299	90.08%
303	1		1	216	303	16,921	18	22,375	90.39%
318	1		1	217	318	17,239	17	22,645	91.48%
340	2		2	219	680	17,919	15	23,019	92.99%
346	1		1	220	346	18,265	14	23,109	93.35%
352	1		1	221	352	18,617	13	23,193	93.69%
368	2		2	223	736	19,353	11	23,401	94.53%
381	1		1	224	381	19,734	10	23,544	95.11%
386	1		1	225	386	20,120	9	23,594	95.31%
390	1		1	226	390	20,510	8	23,630	95.46%
409	1		1	227	409	20,919	7	23,782	96.07%
417	1		1	228	417	21,336	6	23,838	96.30%
420	1		1	229	420	21,756	5	23,856	96.37%
439	1		1	230	439	22,195	4	23,951	96.76%
453	1		1	231	453	22,648	3	24,007	96.98%
461	1		1	232	461	23,109	2	24,031	97.08%
663	1		1	233	663	23,772	1	24,435	98.71%
982	1		1	234	982	24,754	0	24,754	100.00%
PER COMPANY DIFFERENCE				222		24,720			
				12		34			

**BILLING ANALYSIS
WASTEWATER
RESIDENTIAL
5/8 X 3/4**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	562	118	680	680	0	0	17,801	0	0.00%
1	743		743	1,423	743	743	17,058	17,801	10.15%
2	1,121	5	1,126	2,549	2,252	2,995	15,932	34,859	19.87%
3	1,394		1,394	3,943	4,182	7,177	14,538	50,791	28.95%
4	1,511	1	1,512	5,455	6,048	13,225	13,026	65,329	37.23%
5	1,460		1,460	6,915	7,300	20,525	11,566	78,355	44.66%
6	1,317		1,317	8,232	7,902	28,427	10,249	89,921	51.25%
7	1,216		1,216	9,448	8,512	36,939	9,033	100,170	57.09%
8	1,111		1,111	10,559	8,888	45,827	7,922	109,203	62.24%
9	996		996	11,555	8,984	54,791	6,926	117,125	66.75%
10	863		863	12,418	8,630	63,421	6,063	124,051	70.70%
11	812		812	13,230	8,932	72,353	5,251	130,114	74.16%
12	672		672	13,902	8,064	80,417	4,579	135,365	77.15%
13	583	(1)	582	14,484	7,566	87,983	3,997	139,944	79.76%
14	510	(1)	509	14,993	7,126	95,109	3,488	143,941	82.04%
15	446		446	15,439	6,690	101,799	3,042	147,429	84.03%
16	392	(1)	391	15,830	6,256	108,055	2,651	150,471	85.76%
17	373	(1)	372	16,202	6,324	114,379	2,279	153,122	87.27%
18	303	(1)	302	16,504	5,436	119,815	1,977	155,401	88.57%
19	276		276	16,780	5,244	125,059	1,701	157,378	89.70%
20	244		244	17,024	4,880	129,939	1,457	159,079	90.67%
21	206		206	17,230	4,326	134,265	1,251	160,536	91.50%
22	133		133	17,363	2,926	137,191	1,118	161,787	92.21%
23	164		164	17,527	3,772	140,963	954	162,905	92.85%
24	130	(1)	129	17,656	3,096	144,059	825	163,859	93.39%
25	98	(1)	97	17,753	2,425	146,484	728	164,684	93.86%
26	66		66	17,819	1,716	148,200	662	165,412	94.27%
27	71	(1)	70	17,889	1,890	150,090	592	166,074	94.65%
28	66	(3)	63	17,952	1,764	151,854	529	166,666	94.99%
29	49		49	18,001	1,421	153,275	480	167,195	95.29%
30	52	(1)	51	18,052	1,530	154,805	429	167,675	95.56%
31	33		33	18,085	1,023	155,828	396	168,104	95.81%
32	32		32	18,117	1,024	156,852	364	168,500	96.03%
33	29		29	18,146	957	157,809	335	168,864	96.24%
34	23		23	18,169	782	158,591	312	169,199	96.43%
35	23	(1)	22	18,191	770	159,361	290	169,511	96.61%
36	20		20	18,211	720	160,081	270	169,801	96.78%
37	17		17	18,228	629	160,710	253	170,071	96.93%
38	10		10	18,238	380	161,090	243	170,324	97.07%
39	20		20	18,258	780	161,870	223	170,567	97.21%
40	18		18	18,276	720	162,590	205	170,790	97.34%
41	16	(1)	15	18,291	615	163,205	190	170,995	97.46%
42	14		14	18,305	588	163,793	176	171,185	97.57%
43	11		11	18,316	473	164,266	165	171,361	97.67%
44	10		10	18,326	440	164,706	155	171,526	97.76%
45	10		10	18,336	450	165,156	145	171,681	97.85%
46	9		9	18,345	414	165,570	136	171,826	97.93%
47	7		7	18,352	329	165,899	129	171,962	98.01%
48	14		14	18,366	672	166,571	115	172,091	98.08%
49	5		5	18,371	245	166,816	110	172,206	98.15%
50	7		7	18,378	350	167,166	103	172,316	98.21%
51	4		4	18,382	204	167,370	99	172,419	98.27%
52	5		5	18,387	260	167,630	94	172,518	98.32%
53	5		5	18,392	265	167,895	89	172,612	98.38%
54	4		4	18,396	216	168,111	85	172,701	98.43%
55	9		9	18,405	495	168,606	76	172,786	98.48%
56	1		1	18,406	56	168,662	75	172,862	98.52%
57	1		1	18,407	57	168,719	74	172,937	98.56%
58	6	(1)	5	18,412	290	169,009	69	173,011	98.61%
59	2		2	18,414	118	169,127	67	173,080	98.65%
60	3		3	18,417	180	169,307	64	173,147	98.68%
61	1		1	18,418	61	169,368	63	173,211	98.72%
62	3		3	18,421	186	169,554	60	173,274	98.76%
63	1		1	18,422	63	169,617	59	173,334	98.79%
64	4		4	18,426	256	169,873	55	173,393	98.82%
65	4		4	18,430	260	170,133	51	173,448	98.85%
66	2		2	18,432	132	170,265	49	173,499	98.88%
67	3		3	18,435	201	170,466	46	173,548	98.91%
68	1		1	18,436	68	170,534	45	173,594	98.94%
69	6		6	18,442	414	170,948	39	173,639	98.96%
70	3		3	18,445	210	171,158	36	173,678	98.99%
71	1		1	18,446	71	171,229	35	173,714	99.01%
72	1		1	18,447	72	171,301	34	173,749	99.03%
73	1		1	18,448	73	171,374	33	173,783	99.05%
74	2		2	18,450	148	171,522	31	173,816	99.06%
75	2		2	18,452	150	171,672	29	173,847	99.08%
76	1		1	18,453	76	171,748	28	173,876	99.10%

**BILLING ANALYSIS
WASTEWATER
RESIDENTIAL
5/8 X 3/4**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
78	1		1	18,454	78	171,826	27	173,932	99.13%
79	3		3	18,457	237	172,063	24	173,959	99.15%
81	3		3	18,460	243	172,306	21	174,007	99.17%
82	2		2	18,462	164	172,470	19	174,028	99.19%
83	2	(1)	1	18,463	83	172,553	18	174,047	99.20%
85	1		1	18,464	85	172,638	17	174,083	99.22%
86	1		1	18,465	86	172,724	16	174,100	99.23%
88	1		1	18,466	88	172,812	15	174,132	99.24%
89	1		1	18,467	89	172,901	14	174,147	99.25%
93	2		2	18,469	186	173,087	12	174,203	99.29%
97	1		1	18,470	97	173,184	11	174,251	99.31%
102	1		1	18,471	102	173,286	10	174,306	99.34%
107	3		3	18,474	321	173,607	7	174,356	99.37%
113	1		1	18,475	113	173,720	6	174,398	99.40%
118	1		1	18,476	118	173,838	5	174,428	99.41%
121	1		1	18,477	121	173,959	4	174,443	99.42%
127	1		1	18,478	127	174,086	3	174,467	99.44%
129	1		1	18,479	129	174,215	2	174,473	99.44%
151	1		1	18,480	151	174,366	1	174,517	99.46%
1,091	1		1	18,481	1,091	175,457	0	175,457	100.00%
PER COMPANY DIFFERENCE				18,367		175,916			
				114		(459)			

**BILLING ANALYSIS
WASTEWATER
GENERAL
5/8 X 3/4**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS BILLS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	450	(350)	100	100	0	0	1,101	0	0.00%
1	151	(2)	149	249	149	149	952	1,101	5.43%
2	104	(6)	98	347	196	345	854	2,053	10.13%
3	94		94	441	282	627	760	2,907	14.35%
4	68	(2)	66	507	264	891	694	3,667	18.10%
5	57		57	564	285	1,176	637	4,361	21.52%
6	55		55	619	330	1,506	582	4,998	24.67%
7	30		30	649	210	1,716	552	5,580	27.54%
8	27	(1)	26	675	208	1,924	526	6,132	30.26%
9	42		42	717	378	2,302	484	6,658	32.86%
10	24	(1)	23	740	230	2,532	461	7,142	35.25%
11	20		20	760	220	2,752	441	7,603	37.52%
12	20		20	780	240	2,992	421	8,044	39.70%
13	21		21	801	273	3,265	400	8,465	41.78%
14	19		19	820	266	3,531	381	8,865	43.75%
15	19		19	839	285	3,816	362	9,246	45.63%
16	17		17	856	272	4,088	345	9,608	47.42%
17	20		20	876	340	4,428	325	9,953	49.12%
18	22	(1)	21	897	378	4,806	304	10,278	50.73%
19	12		12	909	228	5,034	292	10,582	52.23%
20	17		17	926	340	5,374	275	10,874	53.67%
21	12		12	938	252	5,626	263	11,149	55.02%
22	8		8	946	176	5,802	255	11,412	56.32%
23	11	(1)	10	956	230	6,032	245	11,667	57.58%
24	18		18	974	432	6,464	227	11,912	58.79%
25	11	(1)	10	984	250	6,714	217	12,139	59.91%
26	9		9	993	234	6,948	208	12,356	60.98%
27	16		16	1,009	432	7,380	192	12,564	62.01%
28	12		12	1,021	336	7,716	180	12,756	62.96%
29	11		11	1,032	319	8,035	169	12,936	63.84%
30	10		10	1,042	300	8,335	159	13,105	64.68%
31	8	(1)	7	1,049	217	8,552	152	13,264	65.46%
32	6		6	1,055	192	8,744	146	13,416	66.21%
33	8		8	1,063	264	9,008	138	13,562	66.93%
34	10		10	1,073	340	9,348	128	13,700	67.61%
35	6		6	1,079	210	9,558	122	13,828	68.25%
36	13		13	1,092	468	10,026	109	13,950	68.85%
37	6		6	1,098	222	10,248	103	14,059	69.39%
38	1		1	1,099	38	10,286	102	14,162	69.89%
39	5		5	1,104	195	10,481	97	14,264	70.40%
40	4		4	1,108	160	10,641	93	14,361	70.88%
41	4		4	1,112	164	10,805	89	14,454	71.34%
42	2		2	1,114	84	10,889	87	14,543	71.77%
43	5		5	1,119	215	11,104	82	14,630	72.20%
44	5	(1)	4	1,123	176	11,280	78	14,712	72.61%
45	3		3	1,126	135	11,415	75	14,790	72.99%
46	2		2	1,128	92	11,507	73	14,865	73.36%
47	8		8	1,136	376	11,883	65	14,938	73.72%
48	3		3	1,139	144	12,027	62	15,003	74.05%
49	2		2	1,141	98	12,125	60	15,065	74.35%
50	2		2	1,143	100	12,225	58	15,125	74.65%
51	3		3	1,146	153	12,378	55	15,183	74.93%
52	1		1	1,147	52	12,430	54	15,238	75.20%
53	1		1	1,148	53	12,483	53	15,292	75.47%
54	1		1	1,149	54	12,537	52	15,345	75.73%
55	1		1	1,150	55	12,592	51	15,397	75.99%
56	1		1	1,151	56	12,648	50	15,448	76.24%
57	1		1	1,152	57	12,705	49	15,498	76.49%
59	2		2	1,154	118	12,823	47	15,596	76.97%
60	2		2	1,156	120	12,943	45	15,643	77.20%
61	1		1	1,157	61	13,004	44	15,688	77.43%
63	2	(1)	1	1,158	63	13,067	43	15,776	77.86%
65	1		1	1,159	65	13,132	42	15,862	78.28%
66	1		1	1,160	66	13,198	41	15,904	78.49%
68	1		1	1,161	68	13,266	40	15,986	78.90%
69	1		1	1,162	69	13,335	39	16,026	79.09%
70	1		1	1,163	70	13,405	38	16,065	79.29%
72	1		1	1,164	72	13,477	37	16,141	79.66%
73	1		1	1,165	73	13,550	36	16,178	79.84%
75	1		1	1,166	75	13,625	35	16,250	80.20%
76	3		3	1,169	228	13,853	32	16,285	80.37%
78	2		2	1,171	156	14,009	30	16,349	80.69%
83	3		3	1,174	249	14,258	27	16,499	81.43%
92	1		1	1,175	92	14,350	26	16,742	82.63%
95	2		2	1,177	190	14,540	24	16,820	83.01%
97	1		1	1,178	97	14,637	23	16,868	83.25%
98	1		1	1,179	98	14,735	22	16,891	83.36%

**BILLING ANALYSIS
WASTEWATER
GENERAL
5/8 X 3/4**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
99	1	1	1,180	99	14,834	21	16,913	83.47%
100	1	1	1,181	100	14,934	20	16,934	83.58%
109	1	1	1,182	109	15,043	19	17,114	84.46%
122	1	1	1,183	122	15,165	18	17,361	85.68%
131	1	1	1,184	131	15,296	17	17,523	86.48%
134	1	1	1,185	134	15,430	16	17,574	86.73%
136	1	1	1,186	136	15,566	15	17,606	86.89%
137	1	1	1,187	137	15,703	14	17,621	86.97%
138	1	1	1,188	138	15,841	13	17,635	87.03%
140	1	1	1,189	140	15,981	12	17,661	87.16%
173	1	1	1,190	173	16,154	11	18,057	89.12%
183	1	1	1,191	183	16,337	10	18,167	89.66%
211	1	1	1,192	211	16,548	9	18,447	91.04%
216	1	1	1,193	216	16,764	8	18,492	91.26%
229	1	1	1,194	229	16,993	7	18,596	91.78%
334	1	1	1,195	334	17,327	6	19,331	95.41%
408	1	1	1,196	408	17,735	5	19,775	97.60%
444	1	1	1,197	444	18,179	4	19,955	98.48%
462	1	1	1,198	462	18,641	3	20,027	98.84%
488	1	1	1,199	488	19,129	2	20,105	99.23%
560	1	1	1,200	560	19,689	1	20,249	99.94%
573	1	1	1,201	573	20,262	0	20,262	100.00%
PER COMPANY			1,565		20,500			
DIFFERENCE			(364)		(238)			

**BILLING ANALYSIS
WASTEWATER
GENERAL
1"**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	6	(2)	4	4	0	0	74	0	0.00%
1	7		7	11	7	7	67	74	3.73%
2	1		1	12	2	9	66	141	7.11%
4	3		3	15	12	21	63	273	13.77%
5	3		3	18	15	36	60	336	16.95%
6	4		4	22	24	60	56	396	19.98%
7	7		7	29	49	109	49	452	22.81%
8	2		2	31	16	125	47	501	25.28%
9	1		1	32	9	134	46	548	27.65%
10	5		5	37	50	184	41	594	29.97%
11	1		1	38	11	195	40	635	32.04%
12	2		2	40	24	219	38	675	34.06%
13	3		3	43	39	258	35	713	35.97%
14	2		2	45	28	286	33	748	37.74%
16	2		2	47	32	318	31	814	41.07%
17	2		2	49	34	352	29	845	42.63%
19	1		1	50	19	371	28	903	45.56%
20	1		1	51	20	391	27	931	46.97%
22	2		2	53	44	435	25	985	49.70%
23	1		1	54	23	458	24	1,010	50.96%
26	1		1	55	26	484	23	1,082	54.59%
28	5		5	60	140	624	18	1,128	56.91%
29	2		2	62	58	682	16	1,146	57.82%
30	1		1	63	30	712	15	1,162	58.63%
32	1		1	64	32	744	14	1,192	60.14%
33	1		1	65	33	777	13	1,206	60.85%
34	1		1	66	34	811	12	1,219	61.50%
36	2		2	68	72	883	10	1,243	62.71%
37	1		1	69	37	920	9	1,253	63.22%
45	1		1	70	45	965	8	1,325	66.85%
52	1		1	71	52	1,017	7	1,381	69.68%
72	1		1	72	72	1,089	6	1,521	76.74%
96	1		1	73	96	1,185	5	1,665	84.01%
132	1		1	74	132	1,317	4	1,845	93.09%
133	1		1	75	133	1,450	3	1,849	93.29%
143	1		1	76	143	1,593	2	1,879	94.80%
168	1		1	77	168	1,761	1	1,929	97.33%
221		1	1	78	221	1,982	0	1,982	100.00%
PER COMPANY DIFFERENCE				77		1,757			
				0		4			

NOTE: COMPANY EXCLUDED 221 USAGE FROM THE SCHEDULE, NOT SHOWN ON ADJUSTMENT PAGE

**BILLING ANALYSIS
WASTEWATER
GENERAL
1 1/2"**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	8	(7)	1	1	0	0	47	0	0.00%
1	1		1	2	1	1	46	139	1.73%
3	4		4	6	12	13	42	47	5.10%
4	5		5	11	20	33	37	181	6.65%
5	2		2	13	10	43	35	218	8.01%
10	1		1	14	10	53	34	393	14.43%
12	1		1	15	12	65	33	461	16.93%
13	1		1	16	13	78	32	494	18.14%
14	1		1	17	14	92	31	526	19.32%
15	2		2	19	30	122	29	557	20.46%
17	1		1	20	17	139	28	615	22.59%
36	1		1	21	36	175	27	1,147	42.12%
37	2		2	23	74	249	25	1,174	43.11%
38	2		2	25	76	325	23	1,199	44.03%
40	2		2	27	80	405	21	1,245	45.72%
41	3		3	30	123	528	18	1,266	46.49%
44	1		1	31	44	572	17	1,320	48.48%
45	1		1	32	45	617	16	1,337	49.10%
46	1		1	33	46	663	15	1,353	49.69%
49	1		1	34	49	712	14	1,398	51.34%
50	1		1	35	50	762	13	1,412	51.85%
52	1		1	36	52	814	12	1,438	52.81%
62	1		1	37	62	876	11	1,558	57.22%
88	1		1	38	88	964	10	1,844	67.72%
94	1		1	39	94	1,058	9	1,904	69.92%
95	1		1	40	95	1,153	8	1,913	70.25%
126	1		1	41	126	1,279	7	2,161	79.36%
131	1		1	42	131	1,410	6	2,196	80.65%
136	1		1	43	136	1,546	5	2,226	81.75%
168	1		1	44	168	1,714	4	2,386	87.62%
169	1		1	45	169	1,883	3	2,390	87.77%
259	1		1	46	259	2,142	2	2,660	97.69%
267	1		1	47	267	2,409	1	2,676	98.27%
314	1		1	48	314	2,723	0	2,723	100.00%
PER COMPANY DIFFERENCE				55 (7)		2,723 0			

**BILLING ANALYSIS
WASTEWATER
GENERAL
2"**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
0	0			0	0	0	190	0	0.00%
1	1			1	1	1	189	190	0.83%
2	7			7	8	15	182	379	1.66%
3	6			6	14	18	176	561	2.46%
4	2			2	16	8	174	737	3.23%
5	9			9	25	45	165	911	4.00%
6	7			7	32	42	158	1,076	4.72%
7	2			2	34	14	156	1,234	5.42%
8	3	1		4	38	32	152	1,390	6.10%
9	2			2	40	18	150	1,542	6.77%
10	3	1		4	44	40	146	1,692	7.43%
11	1			1	45	11	145	1,838	8.07%
12	2			2	47	24	143	1,983	8.70%
13	1			1	48	13	142	2,126	9.33%
14	2			2	50	28	140	2,268	9.95%
15	3			3	53	45	137	2,408	10.57%
16	1			1	54	16	136	2,545	11.17%
17	1			1	55	17	135	2,681	11.77%
18	2			2	57	36	133	2,816	12.36%
19	1			1	58	19	132	2,949	12.94%
20	1			1	59	20	131	3,081	13.52%
22	2			2	61	44	129	3,343	14.87%
23	2			2	63	46	127	3,472	15.24%
25	2			2	65	50	125	3,726	16.35%
27	1			1	66	27	124	3,876	17.45%
29	4			4	70	116	120	4,224	18.54%
30	1			1	71	30	119	4,344	19.06%
33	2			2	73	66	117	4,701	20.63%
34	1			1	74	34	116	4,818	21.14%
35	2			2	76	70	114	4,934	21.85%
36	1			1	77	36	113	5,048	22.15%
37	1			1	78	37	112	5,161	22.65%
38	1			1	79	38	111	5,273	23.14%
39	1			1	80	39	110	5,384	23.63%
41	3			3	83	123	107	5,604	24.59%
42	1			1	84	42	106	5,711	25.06%
44	1			1	85	44	105	5,923	25.99%
45	1			1	86	45	104	6,028	26.45%
46	2			2	88	92	102	6,132	26.91%
48	1			1	89	48	101	6,336	27.81%
49	3			3	92	147	98	6,437	28.25%
50	1			1	93	50	97	6,535	28.68%
53	2			2	95	106	95	6,826	29.96%
54	5			5	100	270	90	6,921	30.37%
55	1			1	101	55	89	7,011	30.77%
56	1			1	102	56	88	7,100	31.16%
58	1			1	103	58	87	7,276	31.93%
60	1			1	104	60	86	7,450	32.69%
62	1			1	105	62	85	7,622	33.45%
63		1		1	106	63	84	7,707	33.82%
68	1			1	107	68	83	8,127	35.67%
69	1			1	108	69	82	8,210	36.03%
72	2			2	110	144	80	8,456	37.11%
77	3			3	113	231	77	8,856	38.86%
78	1			1	114	78	76	8,933	39.20%
81	3			3	117	243	73	9,161	40.20%
84	1			1	118	84	72	9,380	41.16%
86	1			1	119	86	71	9,524	41.80%
87	2			2	121	174	69	9,595	42.11%
88	1			1	122	88	68	9,664	42.41%
89	1			1	123	89	67	9,732	42.71%
90	1			1	124	90	66	9,799	43.00%
91	1			1	125	91	65	9,865	43.29%
98	1			1	126	98	64	10,320	45.29%
99	1			1	127	99	63	10,384	45.57%
100	2			2	129	200	61	10,447	45.85%
101	1			1	130	101	60	10,508	46.11%
108	1			1	131	108	59	10,928	47.96%
116	1			1	132	116	58	11,400	50.03%
120	1			1	133	120	57	11,632	51.05%
121	1			1	134	121	56	11,689	51.30%
136	1			1	135	136	55	12,529	54.98%
146	1			1	136	146	54	13,079	57.40%
150	1			1	137	150	53	13,295	58.34%
152	1			1	138	152	52	13,401	58.81%
162	2			2	140	324	50	13,921	61.09%
169	1			1	141	169	49	14,271	62.63%

**BILLING ANALYSIS
WASTEWATER
GENERAL
2"**

CONSUM. LEVEL	NUMBER BILLS	ADJUSTMENTS	ADJUSTED BILLS	CUMULATIVE BILLS	GALLONS CONSUMED	CUMULATIVE GALLONS	REVERSED BILLS	CONSOLIDATED FACTOR	PERCENT OF TOTAL
175	1		1	142	175	6,165	48	14,565	63.92%
182	1		1	143	182	6,347	47	14,901	65.39%
183	1		1	144	183	6,530	46	14,948	65.60%
187	1		1	145	187	6,717	45	15,132	66.41%
189	2		2	147	378	7,095	43	15,222	66.80%
195	1		1	148	195	7,290	42	15,480	67.93%
196	1		1	149	196	7,486	41	15,522	68.12%
199	1		1	150	199	7,685	40	15,645	68.66%
221	1		1	151	221	7,906	39	16,525	72.52%
222	1		1	152	222	8,128	38	16,564	72.69%
227	1		1	153	227	8,355	37	16,754	73.52%
244	1		1	154	244	8,599	36	17,383	76.28%
247	2		2	156	494	9,093	34	17,491	76.76%
248	1		1	157	248	9,341	33	17,525	76.91%
255	1		1	158	255	9,596	32	17,756	77.92%
261	1		1	159	261	9,857	31	17,948	78.76%
264	1		1	160	264	10,121	30	18,041	79.17%
269	1		1	161	269	10,390	29	18,191	79.83%
274	1		1	162	274	10,664	28	18,336	80.47%
275	1		1	163	275	10,939	27	18,364	80.59%
303	1		1	164	303	11,242	26	19,120	83.91%
318	1		1	165	318	11,560	25	19,510	85.62%
340	2		2	167	680	12,240	23	20,060	88.03%
352	1		1	168	352	12,592	22	20,336	89.24%
361	1		1	169	361	12,953	21	20,534	90.11%
368	2		2	171	736	13,689	19	20,681	90.76%
375	1		1	172	375	14,064	18	20,814	91.34%
386	2		2	174	772	14,836	16	21,012	92.21%
390	1		1	175	390	15,226	15	21,076	92.49%
401	1		1	176	401	15,627	14	21,241	93.22%
409	1		1	177	409	16,036	13	21,353	93.71%
411	1		1	178	411	16,447	12	21,379	93.82%
417	1		1	179	417	16,864	11	21,451	94.14%
420	1		1	180	420	17,284	10	21,484	94.28%
439	1		1	181	439	17,723	9	21,674	95.12%
450	1		1	182	450	18,173	8	21,773	95.55%
453	1		1	183	453	18,626	7	21,797	95.66%
461	1		1	184	461	19,087	6	21,853	95.90%
476	1		1	185	476	19,563	5	21,943	96.30%
511	1		1	186	511	20,074	4	22,118	97.06%
516	1		1	187	516	20,590	3	22,138	97.15%
552	1		1	188	552	21,142	2	22,246	97.63%
663	1		1	189	663	21,805	1	22,468	98.60%
982	1		1	190	982	22,787	0	22,787	100.00%
PER COMPANY DIFFERENCE				181		22,694			
				9		93			