



Aqua Utilities Florida, Inc.  
2228 Capital Circle NE, Ste. 2A  
Tallahassee, FL 32308

January 31, 2011

Katherine E. Fleming  
Office of General Counsel  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

RECEIVED-FPSC  
11 JAN 31 PM 1:21  
COMMISSION  
CLERK

**Re: Docket No. 100330-WS - Application for increase in water/wastewater rates in Alachua, Brevard, DeSoto, Hardee, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc. – Staff Fourteenth Data Request**

Dear Ms. Fleming:

By this letter, Aqua Utilities Florida, Inc. (AUF or Company) provides its response to the Staff's Fourteenth Data Request.

1. Please provide a listing of any and all of the issuances and the allocation of long-term debt to AUF to ensure that the cost rates are updated to reflect the lower 5.36 percent cost of debt as stated in the article below:

Aqua America Completes 2010 Financing Plan - Lowers cost of debt to 5.36 percent (Aqua America, Inc. Press Release) - <http://ir.aquaamerica.com/releasedetail.cfm?ReleaseID=542463>

**RESPONSE:**

The issuances and the allocation of long-term debt to AUF is provided in schedule D-5 in the MFR. The AUF weighted average cost of debt is shown to be 5.1%, lower than Aqua America's weighted average cost of 5.36%.

**COM** \_\_\_\_\_  
**APA** 1 \_\_\_\_\_ Regarding Aqua America's 2010 financing plan issuances, there were no additions to AUF debt in  
**ECR** 2 \_\_\_\_\_ 2010 and none are currently anticipated for 2011. Therefore there is no impact to AUF.

**GCL** 1 \_\_\_\_\_ Please provide Schedule D-1 and Schedule D-2 on a consolidated basis updated for any  
**RAD** \_\_\_\_\_ revisions to the information related to the debt cost rate in a spreadsheet format with all formulas  
**SSC** \_\_\_\_\_ intact including the revisions to these schedules. If there are no revisions, please provide this  
**ADM** \_\_\_\_\_ information on a consolidated basis.

**OPC** \_\_\_\_\_  
**CLK** \_\_\_\_\_

DOCUMENT NUMBER-DATE

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An Aqua America Company  
[www.aquautilitiesflorida.com](http://www.aquautilitiesflorida.com)

FPSC-COMMISSION CLERK

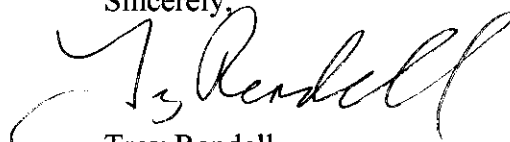
PSC – Fourteenth Data Request Response  
January 31, 2011

**RESPONSE:**

There are no revisions necessary to Schedules D-1 and D-2. Consolidated Schedule D-1 is included in the filed MFR. Schedule D-2 is presented on a consolidated basis in the attached file (Staff Set 14 #2-Sch D-2 Consol).

Please acknowledge receipt of this filing by stamping the extra copy of this letter “filed” and returning the copy to me. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Troy Rendell". The signature is fluid and cursive, with a large initial "T" and "R".

Troy Rendell  
Rates Manager

cc: Bruce May, Holland & Knight  
Office of Commission Clerk  
Charles Beck, Office of Public Counsel  
Kimberly A. Joyce, Aqua America, Inc.

**Reconciliation of Capital Structure to Requested Rate Base**  
 13 Month Average Balance  
**AUF Consolidated**  
**Docket No. 100330-WS**  
 Historical Test Year Ending April 30, 2010  
 Historical [ X ] Projected [ ]

**Florida Public Service Commission**

Schedule: D-2  
 Page: 1 of 1  
 Preparer: D Moy Kelly

Explanation: Provide a reconciliation of the average basis capital structure to requested rate base.  
 Explain all adjustments. Submit an additional schedule if a year-end basis is used.

Line No.	(1) Class of Capital	(2) Test Year Average†	(3) Reconciliation Adjustments Pro rata *	(4) Reconciled To Test Yr Rate Base	(5) Reconciled To Pro Forma Rate Base	(6) Supporting Schedules
<b>Water</b>						
1	Long-Term Debt	26,952,309	(19,683,624)	7,268,686	8,038,284	D-5
2	Short-Term Debt	0	0	0	0	D-4
3	Preferred Stock	0	0	0	0	D-3
4	Common Stock	42,549,814	(31,074,685)	11,475,129	12,690,100	
5	Customer Deposits	84,294	(47,509)	36,786	36,786	D-7
6	Accumulated Deferred Income Taxes	1,456,472	(584,672)	871,800	871,800	C-6
7						
8	<b>Total</b>	<b>71,042,890</b>	<b>(51,390,489)</b>	<b>19,652,401</b>	<b>21,636,970</b>	<b>A-1</b>
<b>Sewer</b>						
9	Long-Term Debt	26,952,309	(22,204,717)	4,747,593	5,466,989	D-5
10	Short-Term Debt	0	0	0	0	D-4
11	Preferred Stock	0	0	0	0	D-3
12	Common Stock	42,549,814	(35,054,754)	7,495,060	8,630,777	
13	Customer Deposits	84,294	(70,380)	13,915	13,915	D-7
14	Accumulated Deferred Income Taxes	1,456,472	(857,352)	599,120	599,120	C-6
15						
16	<b>Total</b>	<b>71,042,890</b>	<b>(58,187,202)</b>	<b>12,855,688</b>	<b>14,710,801</b>	<b>A-2</b>

† The 13 month averages shown in column (4) above include used & useful adjustments as shown on Schedule A-1.