

CLASS "A" AND "B"

WATER and/or WASTEWATER UTILITIES

CONSOLIDATED ANNUAL REPORT

OF

Aloha Utilities, Inc.

Exact Legal Name of Respondent

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DIVISION OF
WATER AND SEWER
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FOR THE
DECEMBER 31, 1997

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

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
ERIC M. DOAN, C.P.A.
ROBERT H. JACKSON, C.P.A.
BRENDA W. McBARRON, C.P.A.
ROBERT C. NIXON, C.P.A.
TRACY A. RIZZO, C.P.A.
HOLLY M. TOWNER, C.P.A.
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CLEARWATER, FLORIDA 33765-4419
(813) 791-4020
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(813) 797-3602

April 27, 1998

Officers and Directors
Aloha Utilities, Inc.

We have compiled the 1997 Annual Report of Aloha Utilities, Inc. in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

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

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

General Instructions

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

Florida Public Service Commission
Division of Water and Sewer
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

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Water Operation Section					
Reporting System			Seven Springs		
Sch. No.	Schedule	Page No.	Sch. No.	Schedule	Page No.
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W-1	Schedule of Year End Rate Base	19	W-8	Analysis of Entries in Water	
W-2	Water Operating Statement	20		Accumulated Depreciation	27
W-3	Utility Plant Accounts	21	W-9	Water Utility Expense Accounts	29
W-4	Contributions in Aid of Construction	23	W-10	Water Operating Revenue	31
W-5	Additions to CIAC Received From Capacity, Main Extension and Customer Connection Charges	24	W-11	Water System Information, Water Treatment Facilities, Reservoirs	32
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* If more than two reporting systems are included, attach additional Water Table of Contents pages.

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S-2	Wastewater Operating Statement	3	S-9	Wastewater Utility Expense Accounts	12
S-3	Utility Plant Accounts	4	S-10	Wastewater Operating Revenue	14
S-4	Contributions in Aid of Construction	6	S-11	Wastewater System Information, Service Connections	15
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S-5	Accum. Amortization of CIAC	7	S-13	Treatment Plant, Other Wastewater System Information	17
S-6	Additions to CIAC Received From All Developer or Contractors Agreements	8	S-14	Meters and Calculation of Meter Equivalents, Calculation of Wastewater System Equivalents	18
S-7	Basis for Wastewater Depreciation				

Wastewater Operation Section					
Reporting System			Seven Springs		
Sch. No.	Schedule	Page No.	Sch. No.	Schedule	Page No.
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S-1	Schedule of Year End Rate Base	19	S-8	Analysis of Entries in Wastewater Accumulated Depreciation	27
S-2	Wastewater Operating Statement	20	S-9	Wastewater Utility Expense Accounts	29
S-3	Utility Plant Accounts	21	S-10	Wastewater Operating Revenue	31
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S-7	Basis for Wastewater Depreciation				

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

EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

YEAR OF REPORT
December 31, 1997

UTILITY NAME: Aloha Utilities, Inc.

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

- | | | | |
|--------------|-----------|----|---|
| YES
(X) | NO
() | 1. | The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
(X) | NO
() | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
(X) | NO
() | 3. | There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
(X) | NO
() | 4. | The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

Items Certified

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


(signature of the chief executive officer of the utility)

1. () 2. () 3. () 4. ()

N/A
(signature of the chief financial officer of the utility)

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE:

Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

Aloha Utilities, Inc.

(Exact Name of Utility)

County: Pasco

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

2514 Aloha Place
Holiday, Florida 34691

Telephone: (813) 937-4275

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

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

Telephone: (813) 791-4020

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

2514 Aloha Place
Holiday, Florida 34691

Telephone: (813) 937-4275

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

Cronin, Nixon, Jackson and Wilson, CPA's

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

Check the appropriate business entity of the utility as filed with the Internal Revenue Service:

☐

Individual

☐

Partnership

☐

Sub S Corporation

☒

1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the utility:

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
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DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

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

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
(2) Provide individual telephone numbers if the person is not normally reached at the company.
(3) Name of company employed by if not on general payroll.

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
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COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.**
- B. Public services rendered.**
- C. Major goals and objectives.**
- D. Major operating divisions and functions.**
- E. Current and projected growth patterns.**
- F. Major transactions having a material effect on operations.**

- (A) Aloha Utilities, Inc. began operations as a water and sewer utility servicing the Aloha Gardens sub-division located in Holiday, Florida, west of U.S. Highway 19. In subsequent years, as the Holiday area expanded, the utility extended its service area to the east of U.S. Highway 19.
- (B) The Company provides water and sewer service to customers in its certificated area.
- (C) The primary goal of the Company is to continue rendering quality service to its existing customers while preparing for future growth to serve the needs of prospective customers.
- (D) The Company operates two distinct service areas which are physically divided by U.S. Highway 19, the major north/south highway through Pinellas and Pasco Counties.
- (E) Projected growth is in the service area located east of U.S. Highway 19, referred to as the Seven Springs area, since the Aloha Gardens system is built out. Approximately 350 new connections are expected annually.
- (F) Aloha will begin construction of the next phase of its Seven Springs reuse system in mid-1998. The bid package is being prepared and will be completed in May, 1998. The project will cost approximately \$1.8 million and provide reuse water to a golf course, middle school, college and other potential users.

The Utility must relocate water and sewer lines on Little Road. The cost has been bid by Pasco County and will cost approximately \$434,000.

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
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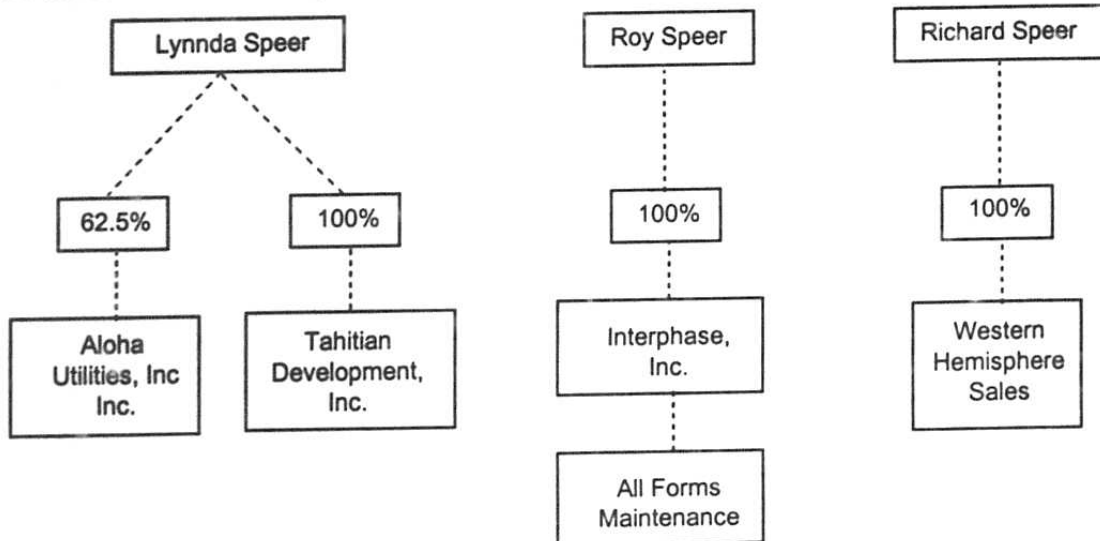
PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/96

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

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

Stockholder:

Ownership %
in entity shown
below:



Note: Roy and Lynnda Speer are husband and wife; Richard Speer is their son.

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
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COMPENSATION OF OFFICERS

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Lynnda Speer	President	20	\$ 69,355
Stephen G. Watford	Vice President	100	\$ 111,195
Yvonne Haller	Secretary	100	\$ 50,922
Joann Pippin	Treasurer	10	\$ 17,543
			\$
			\$
			\$
			\$
			\$
			\$
			\$

COMPENSATION OF DIRECTORS

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, and other business arrangements entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on Page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
None		\$	

- * Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

YEAR OF REPORT
December 31, 1997

For each of the officials listed on page E-6, list the principal occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Lynnda Speer	Land Development	Treasurer	Tahitian Development, Inc Holiday, Florida
Joann Pippin	Home Builder	Proprietor	AC & R of Citrus, Inc. Inverness, Florida

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

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
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BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

2. Below are some types of transactions to include:

- management, legal and accounting services
- computer services
- engineering & construction services
- repairing and servicing of equipment
- material and supplies furnished
- leasing of structures, land and equipment
- rental transactions
- sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
Interphase, Inc.	Data processing and billing	3/1/96 - Open	P	\$ 86,104
Interphase, Inc.	Rental office	Open	P	17,479
Interphase, Inc.	Water purchased	Open	P	68,414
Tahitian Development, Inc	Water purchased	Open	P	44,996
All Forms Maintenance	Security guard	Open	P	18,599
	Maintenance services	Open	P	45,314
	Reuse Water Project	5/23/95 - Open	P	292,300

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

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

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

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

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
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DESCRIPTION	(a)	WATER	(b)	SEWER	(c)
PLANT (Intrastate Only) (000's Omitted):					
Plant in Service		\$ 8,207	\$ 15	\$ 15,059	26
Construction Work in Progress					
Plant Acquisition Adjustment					
Plant Held For Future Use					
Materials and Supplies					
Less:					
Accumulated Depreciation and Accumulated Amortization		2,174	4,990	3,551	6,781
Contributions in Aid Of Construction (Net)			1,058	4,753	
Net Book Cost		\$	\$	\$	
REVENUES AND EXPENSES (Intrastate Only) (000's Omitted):					
Operating Revenues		\$ 1,982	\$ 3,181		
Depreciation and Amortization Expense		\$ 60	\$ 207		
Income Tax Expense		\$ 20	\$ 102		
Taxes Other Than Income		\$ 221	\$ 373		
Other Operating Expenses		\$ 1,593	\$ 2,018		
Total Operating Expenses		\$ 1,894	\$ 2,700		
Net Operating Income		\$ 88	\$ 481		
Other Income		\$ 162	\$ 163		
Other Income Deductions		\$ 237	\$ 237		
Net Income		\$ 13	\$ 407		
CUSTOMERS (Intrastate Only):					
Residential - Yearly Average		11,153	10,700		
Commercial - Yearly Average		206	161		
Industrial - Yearly Average					
Others - Yearly Average					
Total		11,359	10,861		
OTHER STATISTICS (Intrastate Only):					
Average Annual Residential Use Per 1,000 Gallons		88	50		
Average Annual Residential Cost Per 1,000 Gallons		1.89	4.94		
Average Residential Monthly Bill		13.36	21.92		
Gross Plant Investment Per Customer		723	1,387		

FINANCIAL

SECTION

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
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COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant _____	F-4	\$ 23,307,077	\$ 21,446,995
108-110	Less: Accumulated Depreciation and Amortization _____	F-6	5,724,331	5,586,060
	Net Plant _____		17,582,746	15,860,935
114-115	Utility Plant Acquisition Adjustments (Net) _____	F-5		
116	Other Plant Adjustments (specify) _____			
	Total Net Utility Plant _____		17,582,746	15,860,935
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property _____	F-4		
122	Less: Accumulated Depreciation and Amortization _____			
	Net Nonutility Property _____			
123	Investment in Associated Companies _____	F-7		
124	Utility Investments _____	F-7		
125	Other Investments _____	F-7		
126-127	Special Funds _____	F-7		
	Total Other Property and Investments _____			
CURRENT AND ACCRUED ASSETS				
131	Cash _____		418,784	496,298
132	Special Deposits _____		15,011	576,116
133	Other Special Deposits _____		2,450	2,450
134	Working Funds _____			
135	Temporary Cash Investments _____			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts _____	F-8	558,924	558,862
145	Accounts Receivable from Associated Companies _____	F-9		
146	Notes Receivable from Associated Companies _____	F-9		
151-153	Materials and Supplies _____			
161	Stores Expense _____			
162	Prepayments _____	F-10	5,000	
171	Accrued Interest and Dividends Receivable _____			
172	Rents Receivable _____			
173	Accrued Utility Revenues _____		209,821	119,213
174	Misc. Current and Accrued Assets _____			
	Total Current and Accrued Assets _____		1,209,990	1,752,939

YEAR OF REPORT
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UTILITY NAME: Aloha Utilities, Inc.

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-11	\$ 15,459	\$ 16,021
182	Extraordinary Property Losses	F-11		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185	Temporary Facilities			
186	Misc. Deferred Debits	F-10	346,994	228,672
187	Research & Development Expenditures		2,312,897	2,391,698
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		2,675,350	2,636,391
	TOTAL ASSETS AND OTHER DEBITS		\$ 21,468,086	\$ 20,250,265

NOTES TO THE BALANCE SHEET

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT December 31, 1997

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued _____	F-13	\$ 500	\$ 500
204	Preferred Stock Issued _____	F-13	600,000	600,000
202,205	Capital Stock Subscribed _____			
203,206	Capital Stock Liability for Conversion _____			
207	Premium on Capital Stock _____		41,600	41,600
209	Reduction in Par or Stated Value of Capital Stock _____			
210	Gain on Resale or Cancellation of Capital Stock _____			
211	Other Paid-in Capital _____			
212	Discount on Capital Stock _____			
213	Capital Stock Expense _____			
214-215	Retained Earnings _____	F-14	1,556,376	1,137,304
216	Reacquired Capital Stock _____			
218	Proprietary Capital (Proprietorship and Partnership Only) _____			
	Total Equity Capital _____		2,198,476	1,779,404
LONG TERM DEBT				
221	Bonds _____	F-15		
222	Reacquire Bonds _____			
223	Advances from Associated Companies _____	F-15		
224	Other Long Term Debt _____	F-13	3,618,905	3,886,909
	Total Long Term Debt _____		3,618,905	3,886,909
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable _____		475,260	683,037
232	Notes Payable _____	F-12		
233	Accounts Payable to Associated Co. _____	F-12	28,327	28,327
234	Notes Payable to Associated Co. _____	F-12		
235	Customer Deposits _____		229,399	215,280
236	Accrued Taxes _____	F-16	232,884	446,757
237	Accrued Interest _____	F-17		73,474
238	Accrued Dividends _____			
239	Matured Long Term Debt _____			
240	Matured Interest _____			
241	Miscellaneous Current and Accrued Liabilities _____	F-20	21,095	32,360
	Total Current and Accrued Liabilities _____		\$ 986,965	\$ 1,479,235

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT December 31, 1997

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED CREDITS			
251	Unamortized Premium on Debt _____	F-12	\$ _____	\$ _____
252	Advances for Construction _____	F-18		
253	Other Deferred Credits (Contributed Taxes) _____		2,476,454	2,519,428
255	Accumulated Deferred Investment Tax Credits _____			
	Total Deferred Credits _____		2,476,454	2,519,428
	OPERATING RESERVES			
261	Property Insurance Reserve _____			
262	Injuries and Damages Reserve _____			
263	Pensions and Benefits Reserve _____			
265	Miscellaneous Operating Reserves _____			
	Total Operating Reserves _____			
	CONTRIBUTIONS IN AID OF CONSTRUCTION			
271	Contributions in Aid of Construction _____	F-19	15,617,933	14,217,669
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-20	3,846,249	3,961,763
	Total Net C.I.A.C. _____		11,771,684	10,255,906
	ACCUMULATED DEFERRED INCOME TAXES			
281	Accumulated Deferred Income Taxes - Accelerated Depreciation _____		415,602	329,383
282	Accumulated Deferred Income Taxes - Liberalized Depreciation _____			
283	Accumulated Deferred Income Taxes - Other _____			
	Total Accum. Deferred Income Taxes _____		415,602	329,383
	TOTAL EQUITY CAPITAL AND LIABILITIES _____		\$ 21,468,086	\$ 20,250,265

UTILITY NAME: Aloha Utilities, Inc.

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COMPARATIVE OPERATING INCOME

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues _____	\$ 4,697,357	F-3(b)	\$ 5,162,824
401	Operating Expenses _____	3,087,530	F-3(b)	3,582,456
403	Depreciation Expense _____	195,145	F-6/F-20	267,122
406	Amortization of Utility Plant Acquisition Adjustment _____			
407	Amortization Expense (Plant Abandonment) _____	29,260		29,260
408.1	Taxes Other Than Income _____	510,667	F-16	594,038
409.1	Income Taxes _____	510,712	F-16	
410.10	Deferred Federal Income Taxes _____	(65,831)		148,521
410.11	Deferred State Income Taxes _____	(28,828)		16,499
411.10	Provision for Deferred Income Taxes - Credit _____	(42,974)		(42,974)
412.10	Investment Tax Credits Deferred to Future Periods _____			
412.11	Investment Tax Credits Restored to Operating Income _____			
	Utility Operating Expenses _____	4,195,681		4,594,922
	Utility Operating Income _____	501,676		567,902
413	Income From Utility Plant Leased To Others _____			
414	Gains (Losses) From Disposition of Utility Property _____			
	Total Utility Operating Income [Enter here and on Page F-3(c)] _____	501,676		567,902

COMPARATIVE OPERATING INCOME

REF. PAGE (f)	WATER (g)	REF. PAGE (h)	SEWER (c)	OTHER (e)
W-10	\$ 1,981,565	S-10	\$ 3,181,259	\$ N/A
W-9	1,593,477	S-9	1,988,979	
F-6/F-20	59,767	F-6/F-20	207,355	
			29,260	
F-16	221,256	F-16	372,782	
F-16	42,176	F-16	106,345	
	(3,405)		19,904	
	(18,303)		(24,671)	
	\$ 1,894,968		\$ 2,699,954	\$
	\$ 86,597		\$ 481,305	\$
	\$ 86,597		\$ 481,305	\$ N/A

UTILITY NAME: Aloha Utilities, Inc.

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COMPARATIVE OPERATING INCOME (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [From Page F-3(a)]	\$ 501,676		\$ 567,902
	OTHER INCOME AND DEDUCTIONS			
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income	34,638		39,951
420	Allowance for Funds Used During Construction	77,771		116,154
421	Miscellaneous Nonutility Revenue			168,675
426	Miscellaneous Nonutility Expenses			
	Total Other Income and Deductions	112,409		324,780
	TAXES APPLICABLE TO OTHER INCOME			
408.20	Taxes Other Than Income		F-16	
409.20	Income Taxes		F-16	
410.20	Provision for Deferred Income Taxes	(40,186)		
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
	Total Taxes Applicable to Other Income	(40,186)		
	INTEREST EXPENSE			
427	Interest Expense	21,580	F-17	473,048
428	Amortization of Debt Discount & Expense	562	F-11	562
429	Amortization of Premium on Debt		F-11	
	Total Interest Expense	22,142		473,610
	EXTRAORDINARY ITEMS			
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
	Total Extraordinary Items			
	NET INCOME	\$ 551,757		\$ 419,072

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ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
	Plant Accounts				
101	Utility Plant In Service	\$ 8,207,093	\$ 15,058,923	\$ N/A	\$ 23,266,016
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	14,695	26,366		41,061
106	Completed Construction Not Classified				
	Total Utility Plant	\$ 8,221,788	\$ 15,085,289	\$ N/A	\$ 23,307,077

Report separately each item of property with a book cost of \$25,000 or more included in Account 121. Other items may be grouped by classes of property.				
DESCRIPTION (a)	BEGINNING YEAR BALANCE (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
N/A	\$ _____	_____	_____	\$ _____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Nonutility Property_-----	\$ _____	\$ _____	\$ _____	\$ _____

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Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.				
DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):	\$ _____	_____	N/A	\$ _____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Plant Aquisition Adj's. -----	N/A	N/A	N/A	N/A
ACCUMULATED AMORTIZATION (115):	\$ _____	\$ _____	\$ N/A	\$ _____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Accumulated Amortization -----	N/A	N/A		N/A
Net Acquisition Adjustments -----	\$ N/A	\$ N/A	\$ N/A	\$ N/A

UTILITY NAME: Aloha Utilities, Inc.

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ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ 2,276,228	\$ 3,309,832	\$ N/A	\$ 5,586,060
Credits during year:				
Accruals charged:				
to Account 108.1	224,561	502,580		727,141
to Account 108.2				
to Account 108.3				
Accruals charged other accounts (specify) Prior year depr - below the line	23,130	45,541		68,671
Salvage				
Other Credits (specify)				
Total credits	247,691	548,121		795,812
Debits during year:				
Book cost of plant retired (Abandoned)	276,257	233,766		510,023
Cost of removal	73,982	73,536		147,518
Other debits (specify)				
Total debits	350,239	307,302		657,541
Balance end of year	\$ 2,173,680	\$ 3,550,651	\$ N/A	\$ 5,724,331

ACCUMULATED AMORTIZATION (ACCT. 110)

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

UTILITY NAME: Aloha Utilities, Inc.

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INVESTMENTS AND SPECIAL FUNDS (ACCTS. 123 - 127)

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): N/A	\$	\$
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total Investment In Associated Companies		\$
UTILITY INVESTMENTS (ACCT. 124): N/A	\$	\$
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total Utility Investments		\$
OTHER INVESTMENTS (ACCT. 125): N/A	\$	\$
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total Other Investments		\$
SPECIAL FUNDS (ACCTS. 126 & 127) N/A		\$
Total Special Funds		\$

UTILITY NAME: Aloha Utilities, Inc.

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ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)	TOTAL (b)
ACCOUNTS RECEIVABLE:	
Customer Accounts Receivable (Acct. 141):	
Water__ Combined Water & Sewer__	\$ 558,924
Sewer__	
Other__	
Total Customer Accounts Receivable__	\$ 558,924
OTHER ACCOUNTS RECEIVABLE (Acct. 142):	
	\$
Total Other Accounts Receivable__	
NOTES RECEIVABLE (Acct. 144):	
	\$
Total Notes Receivable__	
Total Accounts and Notes Receivable__	558,924
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Acct. 143):	
Balance First of Year__ N/A	\$
Add: Provision for uncollectables for current year__	
Collections of accounts previously written off__	
Utility accounts__	
Others__	
Total Additions__	
Deduct accounts written off during year:	
Utility accounts__	
Others__	
Total accounts written off__	
Balance end of year__	
Total Accounts and Notes Receivable - Net__	\$ 558,924

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Report each account receivable from associated companies separately.	
DESCRIPTION (a)	TOTAL (b)
N/A	\$ _____

Total -----	\$ _____ _____ _____

Report each note receivable from associated companies separately.		
DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
N/A		\$
Total -----		\$

UTILITY NAME: Aloha Utilities, Inc.

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PREPAYMENTS (ACCT. 162)

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance _____	\$ _____
Prepaid Rents _____	_____
Prepaid Interest _____	_____
Prepaid Taxes _____	_____
Other Prepayments (Specify):	
Prepaid DEP fees _____	5,000
Total Prepayments _____	\$ 5,000

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186):

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1) ___ Docket No. 950615-SU _____	\$ 118,895
Other Deferred Debits (Acct 186.2) (Loss on plant retirement; Deferred Rule Challenge and Deferred Audit Fees) _____	228,099
Total Miscellaneous Deferred Debits _____	\$ 346,994

UTILITY NAME: Aloha Utilities, Inc.

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UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Acct. 181):		
Loan costs related to \$3,040,046 Line of Credit from L. Speer	\$ 562	\$ 15,459
Total Unamortized Debt Discount and Expense	\$ 562	\$ 15,459
UNAMORTIZED PREMIUM ON DEBT (Acct. 251):		
N/A	\$	\$
Total Unamortized Premium on Debt	\$	\$

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

NOTES PAYABLE (ACCTS. 232 AND 234)

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

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
Tahitian Development	\$ 28,327
Total	\$ 28,327

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

[illegible]

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock.

Show amounts of dividends per share.

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings:	
	Balance beginning of year _____	\$ 1,137,304
439	Changes to account:	
	Adjustments to Retained Earnings (requires	
	Commission approval prior to use):	
	Credits: _____	

	Total Credits _____	
	Debits: _____	

	Total Debits _____	
435	Balance transferred from Income _____	419,072
436	Appropriations of Retained Earnings:	

	Total appropriations of Retained Earnings _____	
	Dividends declared:	
437	Preferred stock dividends declared _____	
438	Common stock dividends declared _____	

	Total Dividends Declared _____	
	Balance end of year _____	1,556,376
214	Appropriated Retained Earnings (state balance and purpose of	
	each appropriated amount at year end):	

	Total Appropriated Retained Earnings _____	
	Total Retained Earnings _____	\$ 1,556,376

Notes to Statement of Retained Earnings:

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

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

ACCRUED TAXES (ACCT. 236)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER (e)	TOTAL (f)
	Balance First of Year _____	\$ 179,798	\$ 266,959	\$ N/A	\$ 446,757
	Accruals Charged:				
408.10	Utility Regulatory				
	Assessment Fees _____	89,170	143,157		232,327
408.11	Property Taxes _____	5,797	18,478		24,275
408.12	Payroll Taxes _____	29,612	138,378		167,990
408.13	Other Taxes & Licenses _____	96,677	72,769		169,446
409.10	Federal Income Taxes _____				
409.11	State Income Taxes _____				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) _____				
	Total Taxes Accrued _____	221,256	372,782		594,038
	Taxes Paid During Year:				
408.10	Utility Regulatory				
	Assessment Fees _____	84,859	126,524		211,383
408.11	Property Taxes _____	98,658	157,317		255,975
408.12	Payroll Taxes _____	31,133	139,675		170,808
408.13	Other Taxes & Licenses _____	96,677	72,768		169,445
409.10	Federal Income Taxes _____				
409.11	State Income Taxes _____		300		300
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) _____				
	Total Taxes Paid _____	311,327	496,584		807,911
	Balance End of Year _____	\$ 89,727	\$ 143,157	\$ N/A	\$ 232,884

UTILITY NAME: Aloha Utilities, Inc.

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ACCRUED INTEREST (ACCT. 237)

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - ACCRUED INTEREST ON LONG TERM DEBT:					
L.L. Speer (LOC)	\$ 73,474	105	\$ 456,313	529,787	\$ 0
L.L. Speer (DOT)	0	427	3,704	3,704	0
Total Account No. 237.1	73,474		460,017	533,491	0
ACCOUNT NO. 237.2 - ACCRUED INTEREST ON OTHER LIABILITIES:					
Customer Deposits	0	427	13,031	13,031	0
Total Account 237.2			13,031	13,031	
Total Account 237	\$ 73,474		\$ 473,048	\$ 546,522	\$ 0

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

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT. (d)	AMOUNT (e)
Docket No. 950615-SU Seven Spring - total	\$ 198,892	\$ 198,892	766	\$ 59,448
Total	\$ 198,892	\$ 198,892		\$ 59,448

UTILITY NAME Aloha Utilities, Inc.

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ADVANCES FOR CONSTRUCTION (ACCT. 252)[illegible]

UTILITY NAME: Aloha Utilities, Inc.

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CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year _____	\$ 5,892,157	\$ 8,325,512	\$ N/A	\$ 14,217,669
Add credits during year:				
Contributions received from Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	105,077	85,497		190,574
Contributions received from Developer or Contractor Agreements in cash or property (Schedule "B") _____	796,166	923,547		1,719,713
Total Credits _____	901,243	1,009,044		1,910,287
Less debits charged during the year (All debits charged during year must be explained below) _____	276,257	233,766		510,023
Total Contributions In Aid of Construction _____	\$ 6,517,143	\$ 9,100,790	\$ N/A	\$ 15,617,933

Explain all debits charged to Account 271 below:

Retirement of contributed property - \$276,257 and \$233,766

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DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year _____	\$ 1,672,739	\$ 2,289,024	\$ N/A	\$ 3,961,763
Debits during year:				
Accruals charged to Account 272 _____	164,794	295,223		460,017
Other debits (specify): _____ _____				
Total debits _____	164,794	295,223		460,017
Credits during year (specify):				
Retirement of contributed plant	276,258	233,767		510,025
Cost of removal	34,530	30,976		65,506
Total Credits _____	310,788	264,743		575,531
Balance end of year _____	\$ 1,526,745	\$ 2,319,504	\$ N/A	\$ 3,846,249

DESCRIPTION (a)	BALANCE END OF YEAR (b)
Employee withholding	\$ (131)
Federal and State unemployment	(2,930)
Accrued salaries	8,833
Accrued pension	17,769
Escrow tax liability	(2,446)
Total Miscellaneous Current and Accrued Liabilities _____	\$ 21,095

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
Net income for the year _____		\$ 419,072
Reconciling items for the year:		
Taxable income not reported on the books:		
Meter fees		35,790

Deductions recorded on books not deducted for return:		
Amortization of plant retirement		29,260
Deferred Income Taxes		122,046

Income recorded on books not deducted for return:		
Remove AFUDC income		116,154

Deduction on return not charged against book income:		
Depreciation timing difference		483,652
Cost of removal of retired plant		69,155
Tax loss on retired plant		31,403

Federal tax net income (loss) _____		\$ (94,196)
Computation of tax:		

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

YEAR OF REPORT
December 31, 1997

UTILITY NAME: Aloha Utilities, Inc.

SCHEDULE "A"

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ 1,388,940	21.92 %	10.46 %	2.29 %
Preferred Stock	600,000	9.47 %	10.46 %	0.99 %
Long Term Debt	3,752,907	59.23 %	11.00 %	6.52 %
Customer Deposits	222,340	3.51 %	6.00 %	0.21 %
Tax Credits - Zero Cost		%	%	%
Tax Credits - Weighted Cost		%	%	%
Deferred Income Taxes	372,493	5.88 %	- %	- %
Other (Explain)		%	%	%
Total	\$ 6,336,679	100 % 100.0100		10.01 %

- (1) Should equal amounts on Schedule B, Column (f), page F-25.
- (2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: 14.71 %

Commission order approving AFUDC rate: 22206

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
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SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS (e)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)
Common Equity	\$ 1,388,940	\$	\$	\$	\$ 1,388,940
Preferred Stock	600,000				600,000
Long Term Debt	3,752,907				3,752,907
Customer Deposits	222,340				222,340
Tax Credits - Zero Cost					
Tax Credits - Weighted Cost					
Deferred Income Taxes	372,493				372,493
Other (Explain)					
Total	\$ <u>6,336,679</u>	\$	\$	\$	\$ <u>6,336,679</u>

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

WATER OPERATION SECTION

Water Listing of System Groups

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned the same group number. The water financial schedules (W-1 through W-10) should be filed for the group in total. The water engineering schedules (W-11 through W-14) must be filed for each system in the group. All water pages should be arranged by group number. An example of system grouping follows:

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

[illegible]

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

YEAR OF REPORT
 December 31, 1997

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service _____	W-3	\$ 844,287
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	W-8	716,788
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	W-4	438,245
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ (310,746)
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	W-5	269,772
	Subtotal _____		\$ (40,974)
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	W-9	96,427
	Other (Specify): _____ _____		
	RATE BASE _____		\$ 55,453
	UTILITY OPERATING INCOME _____		\$ (13,470)
	ACHIEVED RATE OF RETURN (Note 4) _____		- - %

NOTES:

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

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

YEAR OF REPORT
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WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	Operating Revenues _____	W-10	\$ 503,155
401	Operating Expenses _____	W-9	444,244
403	Depreciation Expense _____	W-8/W-5	12,199
406	Amortization of Utility Plant Acquisition Adjustment _____		
407	Amortization Expense _____		
408.1	Taxes Other Than Income _____	F-16	59,145
409.1	Income Taxes _____	F-16	
410.10	Deferred Federal Income Taxes _____		886
410.11	Deferred State Income Taxes _____		151
411.10	Provision for Deferred Income Taxes - Credit _____		
412.10	Investment Tax Credits Deferred to Future Periods _____		
412.11	Investment Tax Credits Restored to Operating Income _____		
	Utility Operating Expenses _____		516,625
	Utility Operating Income (Loss) _____		(13,470)
413	Income From Utility Plant Leased to Others _____		
414	Gains (Losses) From Disposition of Utility Property _____		
	Total Utility Operating Income (Loss) _____		\$ (13,470)

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

YEAR OF REPORT
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WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
301	Organization _____	\$ _____	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____
303	Land and Land Rights _____	5,000	_____	_____
304	Structure and Improvements _____	66,295	_____	_____
305	Collecting and Impounding Reservoirs _____	54,473	3,670	_____
306	Lake, River and Other Intakes _____	_____	_____	_____
307	Wells and Springs _____	_____	_____	_____
308	Infiltration Galleries and Tunnels _____	_____	_____	_____
309	Supply Mains _____	77,076	_____	_____
310	Power Generation Equipment _____	_____	_____	_____
311	Pumping Equipment _____	8,907	_____	_____
320	Water Treatment Equipment _____	1,138	_____	_____
330	Distribution Reservoirs and Standpipes _____	_____	_____	_____
331	Transmission and Distribution Mains _____	280,433	_____	_____
333	Services _____	_____	_____	_____
334	Meters and Meter Installations _____	226,713	_____	_____
335	Hydrants _____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	193	_____	_____
340	Office Furniture and Equipment _____	37,889	498	_____
341	Transportation Equipment _____	54,299	_____	_____
342	Stores Equipment _____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	2,664	_____	_____
344	Laboratory Equipment _____	_____	_____	_____
345	Power Operated Equipment _____	1,563	_____	_____
346	Communication Equipment _____	23,390	_____	_____
347	Miscellaneous Equipment _____	86	_____	_____
348	Other Tangible Plant _____	_____	_____	_____
	Total Water Plant _____	\$ 840,119	\$ 4,168	\$ _____
102	Utility Plant Leased to Others _____	_____	_____	_____
103	Property Held for Future Use _____	_____	_____	_____
104	Utility Plant Purchased or Sold _____	_____	_____	_____
105	Construction Work in Progress _____	_____	_____	_____
106	Completed Construction Not Classified _____	_____	_____	_____
	Total Utility Plant _____	\$ 840,119	\$ 4,168	\$ 0

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

WATER UTILITY PLANT MATRIX

	.1	.2	.3	.4	.5
CURRENT YEAR (f)	INTANGIBLE PLANT (g)	SOURCE OF SUPPLY AND PUMPING PLANT (h)	WATER TREATMENT PLANT (i)	TRANSMISSION AND DISTRIBUTION PLANT (j)	GENERAL PLANT (k)
\$	\$				
5,000		5,000			
66,295		48,725		16,673	897
58,143		58,143			
77,076		77,076			
8,907		8,907			
1,138			1,138		
280,433				280,433	
226,713				226,713	
193		193			38,387
38,387					54,299
54,299					
					2,664
2,664					
					1,563
1,563					23,390
23,390					86
86					
\$ 844,287	\$	\$ 198,044	\$ 1,138	\$ 523,819	\$ 121,286
\$ 844,287	\$ 0	\$ 198,044	\$ 1,138	\$ 523,819	\$ 121,286

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

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

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

Explain all Debits charged to Account 271 below:

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

Page 8

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

YEAR OF REPORT
 December 31, 1997

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (f)
301	Organization _____		%	%
302	Franchises _____		%	%
304	Structure and Improvements _____	33	%	3.03 %
305	Collecting and Impounding Reservoirs _____		%	%
306	Lake, River and Other Intakes _____		%	%
307	Wells and Springs _____	30	%	3.33 %
308	Infiltration Galleries and Tunnels _____		%	%
309	Supply Mains _____	35	%	2.86 %
310	Power Generation Equipment _____		%	%
311	Pumping Equipment _____	20	%	5.00 %
320	Water Treatment Equipment _____	22	%	4.55 %
330	Distribution Reservoirs and Standpipes _____		%	%
331	Transmission and Distribution Mains _____	43	%	2.33 %
333	Services _____	43	%	2.33 %
334	Meters and Meter Installations _____	20	%	5.00 %
335	Hydrants _____	45	%	2.22 %
339	Other Plant and Miscellaneous Equipment _____	25	%	4.00 %
340	Office Furniture and Equipment _____	15	%	6.67 %
341	Transportation Equipment _____	6	%	16.67 %
342	Stores Equipment _____		%	%
343	Tools, Shop and Garage Equipment _____	16	%	6.25 %
344	Laboratory Equipment _____	10	%	10.00 %
345	Power Operated Equipment _____	12	%	8.33 %
346	Communication Equipment _____	10	%	10.00 %
347	Miscellaneous Equipment _____		%	%
348	Other Tangible Plant _____		%	%
	Water Plant Composite Depreciation Rate *		%	%

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

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

YEAR OF REPORT
December 31, 1997

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises _____				
304	Structure and Improvements _____	55,303	2,003		2,003
305	Collecting and Impounding Reservoirs _____				
306	Lake, River and Other Intakes _____				
307	Wells and Springs _____	49,657	1,938	764 (1)	2,702
308	Infiltration Galleries and Tunnels _____				
309	Supply Mains _____	65,530	2,202		2,202
310	Power Generation Equipment _____				
311	Pumping Equipment _____	3,772	446	(1)(2)	445
320	Water Treatment Equipment _____	674	52	(1)(2)	51
330	Distribution Reservoirs and Standpipes _____				
331	Transmission and Distribution Mains _____	239,953	6,522	(1)(2)	6,521
333	Services _____				
334	Meters and Meter Installations _____	182,945	3,273		3,273
335	Hydrants _____				
339	Other Plant and Miscellaneous Equipment _____	84	13		13
340	Office Furniture and Equipment _____	24,645	2,543		2,543
341	Transportation Equipment _____	48,800	2,039	(1)(2)	2,038
342	Stores Equipment _____				
343	Tools, Shop and Garage Equipment _____	1,160	172		172
344	Laboratory Equipment _____				
345	Power Operated Equipment _____	1,563	0		
346	Communication Equipment _____	19,752	988	(1)(2)	987
347	Miscellaneous Equipment _____				
348	Other Tangible Plant _____				
	Total Depreciation of Water Plant In Service _____	\$ 693,838	\$ 22,191	\$ 759	\$ 22,950

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

Notes: (1) To record accumulated depreciation from date of acquisition for assets expensed in prior years in error
(2) Correct rounding error

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

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	57,306
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	52,359
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	67,732
_____	_____	_____	_____	_____	4,217
_____	_____	_____	_____	_____	725
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	246,474
_____	_____	_____	_____	_____	186,218
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	97
_____	_____	_____	_____	_____	27,188
_____	_____	_____	_____	_____	50,838
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	1,332
_____	_____	_____	_____	_____	1,563
_____	_____	_____	_____	_____	20,739
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 716,788

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

YEAR OF REPORT
 December 31, 1997

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 36,965	\$ 1,721	\$ 69
603	Salaries and Wages - Officers, Directors and Majority Stockholders	36,605		
604	Employee Pensions and Benefits	24,156		
610	Purchased Water	261,809	261,809	
615	Purchased Power	4,634	4,101	
616	Fuel for Power Purchased			
618	Chemicals	1,558		
620	Materials and Supplies	13,200		30
631	Contractual Services - Engineering			
632	Contractual Services - Accounting	7,525		
633	Contractual Services - Legal	4,035		
634	Contractual Services - Management Fees			
635	Contractual Services - Other	27,399		
641	Rental of Building/Real Property	2,784		
642	Rental of Equipment			
650	Transportation Expense	4,556	3,157	
656	Insurance - Vehicle	3,300		
657	Insurance - General Liability	2,842		
658	Insurance - Workmens Compensation	2,402		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Expenses Other			
670	Bad Debt Expense	1,860		
675	Miscellaneous Expenses	8,614		
	Total Water Utility Expenses	\$ 444,244	\$ 270,788	\$ 99

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ _____	\$ 3,847	\$ _____	\$ 7,656	\$ 12,569	\$ 11,103
_____	_____	_____	_____	_____	36,605
_____	_____	_____	_____	_____	24,156
_____	_____	_____	_____	_____	533
1,558	_____	_____	5,581	5,268	2,321
_____	_____	_____	_____	_____	7,525
_____	_____	_____	_____	_____	4,035
2,869	_____	643	1,552	15,320	7,015
_____	_____	_____	_____	_____	2,784
_____	25	223	231	_____	920
_____	_____	_____	_____	_____	3,300
_____	_____	_____	_____	_____	2,842
_____	_____	_____	_____	_____	2,402
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	1,860	8,429
185	_____	_____	_____	_____	_____
\$ 4,612	\$ 3,872	\$ 866	\$ 15,020	\$ 35,017	\$ 113,970

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

YEAR OF REPORT
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ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue _____			\$ _____
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers _____	3,073	3,068	424,006
461.2	Metered Sales to Commercial Customers _____	43	43	76,174
461.3	Metered Sales to Industrial Customers _____			
461.4	Metered Sales to Public Authorities _____			
461.5	Metered Sales to Multiple Family Dwellings _____			
	Total Metered Sales _____	3,116	3,111	500,180
	Fire Protection Revenue:			
462.1	Public Fire Protection _____			
462.2	Private Fire Protection _____			
	Total Fire Protection Revenue _____			
464	Other Sales to Public Authorities _____			
465	Sales to Irrigation Customers _____			
466	Sales for Resale _____			
467	Interdepartmental Sales _____			
	Totals _____	3,116	3,111	\$ 500,180
	Other Water Revenues:			
469	Guaranteed Revenues _____			\$ _____
470	Forfeited Discounts _____			2,975
471	Miscellaneous Service Revenues _____			
472	Rents From Water Property _____			
473	Interdepartmental Rents _____			
474	Other Water Revenues _____			
	Total Other Water Revenues _____			\$ 2,975
	Total Water Operating Revenues _____			\$ 503,155

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

YEAR OF REPORT
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WATER SYSTEM INFORMATION

SOURCE OF SUPPLY

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

WATER TREATMENT FACILITIES

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

RESERVOIRS

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

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

UTILITY NAME Aloha Utilities, Inc.

SYSTEM NAME: Aloha Gardens

YEAR OF REPORT
December 31, 1997

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	11,241	3,649	491	14,399	12,834
February	10,640	3,195		13,835	12,920
March	10,913	3,040	450	13,503	12,408
April	11,685	3,783		15,468	13,159
May	10,572	3,679	365	13,886	11,955
June	9,983	3,685	241	13,427	12,362
July	9,204	3,640		12,844	11,560
August	9,249	4,044		13,293	11,501
September	10,404	4,063	312	14,155	13,234
October	8,642	3,937		12,579	11,174
November	8,164	3,863		12,027	11,255
December	7,975	3,594	192	11,377	10,601
Total for year	118,672	44,172	2,051	160,793	144,963

If water is purchased for resale, indicate the following:

Vendor Pasco County Utilities

Point of delivery Holiday

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

N/A

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Present ERC's * that system can efficiently serve.	1135
Estimated annual increase in ERC's *.	None - System is built out
List fire fighting facilities and capacities.	Standby wells and pumps

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

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

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

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

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

YEAR OF REPORT
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CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS		TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
			START OF YEAR (d)	END OF YEAR (e)	
5/8"	D	1.0	2,634	2,629	2,629
3/4"	D	1.5			
1"	D	2.5	6	6	15
1 1/2"	D,T	5.0	3	3	15
2"	D,C,T	8.0	3	3	24
3"	D	15.0	3	3	45
3"	C	16.0			
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0	1	1	50
6"	T	62.5			
8"	C	80.0			
8"	T	90.0	2	2	180
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			2,652	2,647	2,958

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{144,963,000}{\text{(total gallons sold)}} / 365 \text{ days} \right) / 350 \text{ gpd} = \underline{1,135}$$

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

YEAR OF REPORT
December 31, 1997

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service _____	W-3	\$ 7,362,806
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	W-8	1,456,892
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	W-4	6,078,898
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ (172,984)
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	W-5	1,256,973
	Subtotal _____		\$ 1,083,989
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	W-9	249,343
	Other (Specify): _____ _____ _____		
	RATE BASE _____		\$ 1,333,332
	UTILITY OPERATING INCOME _____		\$ 100,067
	ACHIEVED RATE OF RETURN _____		7.51 %

NOTES:

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

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

YEAR OF REPORT
 December 31, 1997

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	Operating Revenues _____	W-10	\$ 1,478,410
401	Operating Expenses _____	W-9	1,149,233
403	Depreciation Expense _____	W-8/W-5	47,568
406	Amortization of Utility Plant Acquisition Adjustment _____		
407	Amortization Expense _____		
408.1	Taxes Other Than Income _____	F-16	162,111
409.1	Income Taxes _____	F-16	
410.10	Deferred Federal Income Taxes _____		41,290
410.11	Deferred State Income Taxes _____		(3,556)
411.10	Provision for Deferred Income Taxes - Credit _____		(18,303)
412.10	Investment Tax Credits Deferred to Future Periods _____		
412.11	Investment Tax Credits Restored to Operating Income _____		
	Utility Operating Expenses _____		1,378,343
	Utility Operating Income _____		100,067
413	Income From Utility Plant Leased to Others _____		
414	Gains (Losses) From Disposition of Utility Property _____		
	Total Utility Operating Income _____		\$ 100,067

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

YEAR OF REPORT
 December 31, 1997

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
301	Organization	\$ 161,503	\$	\$
302	Franchises		3,095	
303	Land and Land Rights	60,023		
304	Structure and Improvements	417,245	1,621	
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	703,720	11,424	
308	Infiltration Galleries and Tunnels			
309	Supply Mains	51,634	8,388	
310	Power Generation Equipment	2,195		
311	Pumping Equipment	50,065	6,074	
320	Water Treatment Equipment	45,312	453	
330	Distribution Reservoirs and Standpipes	1,580	37,182	
331	Transmission and Distribution Mains	3,561,797	1,014,934	276,257
333	Services	18,764	82,493	
334	Meters and Meter Installations	751,967	65,584	
335	Hydrants	241,373	53,376	
339	Other Plant and Miscellaneous Equipment	6,837		
340	Office Furniture and Equipment	57,927	3,913	
341	Transportation Equipment	129,209		
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	29,398	2,761	
344	Laboratory Equipment	7,552	3,721	
345	Power Operated Equipment	16,546		
346	Communication Equipment	29,397		
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	Total Water Plant	\$ 6,344,044	\$ 1,295,019	\$ 276,257
102	Utility Plant Leased to Others			
103	Property Held for Future Use			
104	Utility Plant Purchased or Sold			
105	Construction Work in Progress	346,086	(331,391)	
106	Completed Construction Not Classified			
	Total Utility Plant	\$ 6,690,130	\$ 963,628	\$ 276,257

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

WATER UTILITY PLANT MATRIX

CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (h)	.3 WATER TREATMENT PLANT (i)	.4 TRANSMISSION AND DISTRIBUTION PLANT (j)	.5 GENERAL PLANT (k)
\$ 161,503	\$ 161,503				
3,095	3,095				
60,023		31,650	28,373		
418,866		73,456	20,557	113,286	211,567
715,144		715,144			
60,022		60,022			
2,195		2,195			
56,139		56,139			
45,765			45,765		
38,762				38,762	
4,300,474				4,300,474	
101,257				101,257	
817,551				817,551	
294,749				294,749	
6,837		74	5,378	1,385	61,840
61,840					129,209
129,209					
32,159					32,159
11,273					11,273
16,546					16,546
29,397					29,397
\$ 7,362,806	\$ 164,598	\$ 938,680	\$ 100,073	\$ 5,667,464	\$ 491,991
14,695					
\$ 7,377,501	\$ 164,598	\$ 938,680	\$ 100,073	\$ 5,667,464	\$ 491,991

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

YEAR OF REPORT December 31, 1997

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WATER (b)
Balance First of Year _____	\$ 5,453,912
Add credits during year:	
Contributions Received From Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	105,077
Contributions received from Developer or Contractor Contractor Agreements in cash or property (Schedule "B") _____	796,166
Total Credits _____	901,243
Less debits charged during the year (All debits charged during the year must be explained below) _____	276,257
Total Contributions In Aid of Construction _____	\$ 6,078,898

Explain all Debits charged to Account 271 below:

Retire contributed property - \$276,257

SYSTEM NAME: Seven Springs

December 31, 1997

SCHEDULE "A"

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity charges	423	\$ 163.80	\$ 69,287
Meter Fees - 5/8" Residential	349	75.80	26,454
5/8" Irrigation	1	107.56	108
1"	3	165.00	495
1 1/2"	4	365.00	1,460
2"	1	365.00	365
4"	1	3,880.00	3,880
4"	1	3,028.49	3,028
Total Credits _____			\$ 105,077

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

DESCRIPTION (a)	WATER (b)
Balance first of year _____	\$ 1,412,959
Debits during year:	
Accruals charged to Account	
272 _____	154,802
Other Debits (specify):	

Total debits _____	154,802
Credits during year (specify):	
Retire contributed property _____	276,257
Cost of removal of contributed property _____	34,531
Total credits _____	310,788
Balance end of year _____	\$ 1,256,973

YEAR OF REPORT
December 31, 1997

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

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

YEAR OF REPORT
 December 31, 1997

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (f)
301	Organization _____		%	%
302	Franchises _____		%	%
304	Structure and Improvements _____	33	%	3.03 %
305	Collecting and Impounding Reservoirs _____		%	%
306	Lake, River and Other Intakes _____		%	%
307	Wells and Springs _____	30	%	3.33 %
308	Infiltration Galleries and Tunnels _____		%	%
309	Supply Mains _____	35	%	2.86 %
310	Power Generation Equipment _____		%	%
311	Pumping Equipment _____	20	%	5.00 %
320	Water Treatment Equipment _____	22	%	4.55 %
330	Distribution Reservoirs and Standpipes _____		%	%
331	Transmission and Distribution Mains _____	43	%	2.33 %
333	Services _____	43	%	2.33 %
334	Meters and Meter Installations _____	20	%	5.00 %
335	Hydrants _____	45	%	2.22 %
339	Other Plant and Miscellaneous Equipment _____	25	%	4.00 %
340	Office Furniture and Equipment _____	15	%	6.67 %
341	Transportation Equipment _____	6	%	16.67 %
342	Stores Equipment _____		%	%
343	Tools, Shop and Garage Equipment _____	16	%	6.25 %
344	Laboratory Equipment _____	10	%	10.00 %
345	Power Operated Equipment _____	12	%	8.33 %
346	Communication Equipment _____	10	%	10.00 %
347	Miscellaneous Equipment _____		%	%
348	Other Tangible Plant _____		%	%
	Water Plant Composite Depreciation Rate *		%	%

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

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

YEAR OF REPORT
December 31, 1997

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization _____	\$ 37,346	\$ 4,038	\$ 1 (2)	\$ 4,039
302	Franchises _____		77	832 (1)	909
304	Structure and Improvements _____	157,620	11,289	671 (1)	11,960
305	Collecting and Impounding Reservoirs _____				
306	Lake, River and Other Intakes _____				
307	Wells and Springs _____	63,930	23,838	2,404 (1)	26,242
308	Infiltration Galleries and Tunnels _____				
309	Supply Mains _____	8,775	1,715	1,217 (1)	2,932
310	Power Generation Equipment _____	329	73		73
311	Pumping Equipment _____	14,828	2,795	1,460 (1)	4,255
320	Water Treatment Equipment _____	12,025	2,039	(3)(2)	2,036
330	Distribution Reservoirs and Standpipes _____	107	1,048	7,602 (1)	8,650
331	Transmission and Distribution Mains _____	777,076	92,569	3,488 (1)	96,057
333	Services _____	1,847	1,695		1,695
334	Meters and Meter Installations _____	304,771	39,429	3,452 (1)	42,881
335	Hydrants _____	23,529	5,957	2 (2)	5,959
339	Other Plant and Miscellaneous Equipment _____	2,077	451	1 (2)	452
340	Office Furniture and Equipment _____	32,784	3,992	(2)(2)	3,990
341	Transportation Equipment _____	103,255	7,031		7,031
342	Stores Equipment _____				
343	Tools, Shop and Garage Equipment _____	3,016	2,001	1,249 (1)	3,250
344	Laboratory Equipment _____	3,037	628	(2)(2)	626
345	Power Operated Equipment _____	8,633	1,379	(1)(2)	1,378
346	Communication Equipment _____	27,405	326		326
347	Miscellaneous Equipment _____				
348	Other Tangible Plant _____				
	Total Depreciable Water Plant In Service _____	\$ 1,582,390	\$ 202,370	\$ 22,371	\$ 224,741

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

Notes: (1) To record accumulated depreciation from date of acquisition for assets expensed in prior years in error
(2) Correct rounding error

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

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 41,385
_____	_____	_____	_____	_____	909
_____	_____	_____	_____	_____	169,580
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	90,172
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	11,707
_____	_____	_____	_____	_____	402
_____	_____	_____	_____	_____	19,083
_____	_____	_____	_____	_____	14,061
_____	_____	_____	_____	_____	8,757
(276,257)	_____	(73,982)	_____	(350,239)	522,894
_____	_____	_____	_____	_____	3,542
_____	_____	_____	_____	_____	347,652
_____	_____	_____	_____	_____	29,488
_____	_____	_____	_____	_____	2,529
_____	_____	_____	_____	_____	36,774
_____	_____	_____	_____	_____	110,286
_____	_____	_____	_____	_____	6,266
_____	_____	_____	_____	_____	3,663
_____	_____	_____	_____	_____	10,011
_____	_____	_____	_____	_____	27,731
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
\$ (276,257)	\$ _____	\$ (73,982)	\$ _____	\$ (350,239)	\$ 1,456,892

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

YEAR OF REPORT
 December 31, 1997

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 246,175	\$ 4,262	\$ 358
603	Salaries and Wages - Officers, Directors and Majority Stockholders	90,642		
604	Employee Pensions and Benefits	79,028		
610	Purchased Water	147,653	147,653	
615	Purchased Power	88,975	87,605	
616	Fuel for Power Purchased			
618	Chemicals	88,975		
620	Materials and Supplies	89,090		928
631	Contractual Services - Engineering	66,799	3,926	
632	Contractual Services - Accounting	19,366		
633	Contractual Services - Legal	45,695		
634	Contractual Services - Management Fees			
635	Contractual Services - Other	99,537	204	
641	Rental of Building/Real Property	6,502		
642	Rental of Equipment			
650	Transportation Expense	33,473	1,174	36
656	Insurance - Vehicle	8,485		
657	Insurance - General Liability	7,309		
658	Insurance - Workmens Compensation	6,298		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Expenses Other			
670	Bad Debt Expense	2,889		
675	Miscellaneous Expenses	22,342	100	
	Total Water Utility Expenses	\$ 1,149,233	\$ 244,924	\$ 1,322

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ 16,734	\$ 29,086	\$ 34,591	\$ 85,488	\$ 48,164	\$ 27,492
					90,642
					79,028
					1,370
88,975					
463	1,281	32	65,989	13,146	7,251
28,267		34,606			19,366
					45,695
24,494	2,659	6,008	15,934	32,582	17,656
					6,502
2,624	94	870	23,336		5,339
					8,485
					7,309
					6,298
				2,889	
185					22,057
\$ 161,742	\$ 33,120	\$ 76,107	\$ 190,747	\$ 96,781	\$ 344,490

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

YEAR OF REPORT
 December 31, 1997

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue _____			\$ _____
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers _____	7,871	8,293	1,364,162
461.2	Metered Sales to Commercial Customers _____	161	164	106,578
461.3	Metered Sales to Industrial Customers _____			
461.4	Metered Sales to Public Authorities _____			
461.5	Metered Sales to Multiple Family Dwellings _____			
	Total Metered Sales _____	8,032	8,457	1,470,740
	Fire Protection Revenue:			
462.1	Public Fire Protection _____			
462.2	Private Fire Protection _____			
	Total Fire Protection Revenue _____			
464	Other Sales to Public Authorities _____			
465	Sales to Irrigation Customers _____			
466	Sales for Resale _____			
467	Interdepartmental Sales _____			
	Totals _____	8,032	8,457	\$ 1,470,740
	Other Water Revenues:			
469	Guaranteed Revenues _____			\$ _____
470	Forfeited Discounts _____			
471	Miscellaneous Service Revenues _____			7,670
472	Rents From Water Property _____			
473	Interdepartmental Rents _____			
474	Other Water Revenues _____			
	Total Other Water Revenues _____			\$ 7,670
	Total Water Operating Revenues _____			\$ 1,478,410

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

YEAR OF REPORT
 December 31, 1997

WATER SYSTEM INFORMATION

SOURCE OF SUPPLY

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

WATER TREATMENT FACILITIES

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

RESERVOIRS

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

UTILITY NAME Aloha Utilities, Inc.

SYSTEM NAME: Seven Springs

YEAR OF REPORT
December 31, 1997

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	44,705	28,991	506	73,190	65,634
February	48,181	23,731	243	71,669	69,324
March	55,031	28,539	481	83,089	71,167
April	44,068	28,439	574	71,933	71,530
May	54,510	30,483	325	84,668	70,441
June	48,228	36,880	454	84,654	76,935
July	50,199	26,071	758	75,512	73,299
August	51,628	28,034	1,055	78,607	65,672
September	60,811	32,407	751	92,467	86,655
October	55,478	26,323	613	81,188	78,646
November	47,033	24,270	548	70,755	69,611
December	39,033	18,910	550	57,393	58,208
Total for year	598,905	333,078	6,858	925,125	857,122

If water is purchased for resale, indicate the following:

Vendor Jack Mitchell, Interphase, Inc, Tahitian Development, Pasco County

Point of delivery New Port Richey

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

N/A

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

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

Present ERC's * that system can efficiently serve. 6,709
Estimated annual increase in ERC's * . 350
List fire fighting facilities and capacities. Standby high service pumps at storage tank, .5mgd tank, 3200 gpm

List percent of certificate area where service connection are installed (total for each county). Pasco County; 50%

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

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

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

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

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

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

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

YEAR OF REPORT
 December 31, 1997

CALCULATON OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS		TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
			START OF YEAR (d)	END OF YEAR (e)	
5/8"	D	1.0	8,020	8,383	8,383
3/4"	D	1.5			
1"	D	2.5	33	33	83
1 1/2"	D,T	5.0	12	14	70
2"	D,C,T	8.0	21	22	176
3"	D	15.0	1		
3"	C	16.0		1	16
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5	3	3	188
8"	C	80.0			
8"	T	90.0		1	90
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			8,090	8,457	9,006

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

(857,122,000 / 365 days) / 350 gpd =
 (total gallons sold)

6,709

WASTEWATER OPERATION SECTION

Wastewater Listing of System Groups

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned the same group number. The wastewater financial schedules (S-1 through S-10) should be filed for the group in total. The wastewater engineering schedules (S-11 through S-14) must be filed for each system in the group. All wastewater pages should be arranged by group number. An example of system grouping follows:

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

System Name	Cert. No.	Group Number
Aloha Gardens	097	1
Seven Springs	097	2

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

YEAR OF REPORT
 December 31, 1997

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service _____	S-3	\$ 1,363,699
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	S-8	754,279
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	S-4	324,586
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ 284,834
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	S-5	161,516
	Subtotal _____		\$ 446,350
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	S-9	160,530
	Other (Specify): _____ _____ _____		
	RATE BASE _____		\$ 606,880
	UTILITY OPERATING INCOME _____		\$ 83,568
	ACHIEVED RATE OF RETURN _____		13.77 %

NOTES:

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

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

YEAR OF REPORT
 December 31, 1997

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	Operating Revenues _____	S-10	\$ 988,602
401	Operating Expenses _____	S-9	739,736
403	Depreciation Expense _____	S-8/S-5	28,943
406	Amortization of Utility Plant Acquisition Adjustment _____		
407	Amortization Expense _____		29,260
408.1	Taxes Other Than Income _____	F-16	107,269
409.1	Income Taxes _____	F-16	
410.10	Deferred Federal Income Taxes _____		(148)
410.11	Deferred State Income Taxes _____		(26)
411.10	Provision for Deferred Income Taxes - Credit _____		
412.10	Investment Tax Credits Deferred to Future Periods _____		
412.11	Investment Tax Credits Restored to Operating Income _____		
	Utility Operating Expenses _____		905,034
	Utility Operating Income _____		83,568
413	Income From Utility Plant Leased to Others _____		
414	Gains (Losses) From Disposition of Utility Property _____		
	Total Utility Operating Income _____		83,568

UTILITY NAME: Aloha Utilities, Inc.

SYSTEM NAME: Aloha Gardens

YEAR OF REPORT
December 31, 1997

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization _____	\$ _____	\$ _____	\$ _____
352	Franchises _____			
353	Land and Land Rights _____	53,061		
354	Structure and Improvements _____	83,222		
360	Collection Sewers - Force _____	43,197		
361	Collection Sewers - Gravity _____	926,866		
362	Special Collecting Structures _____			
363	Services to Customers _____			
364	Flow Measuring Devices _____			
365	Flow Measuring Installations _____			
370	Receiving Wells _____			
371	Pumping Equipment _____	127,698	1,567	
380	Treatment & Disposal Equipment _____			
381	Plant Sewers _____	16,482		
382	Outfall Sewer Lines _____	1,325		
389	Other Plant and Miscellaneous Equipment _____			
390	Office Furniture & Equipment _____	18,172	759	
391	Transportation Equipment _____	70,593		
392	Stores Equipment _____			
393	Tools, Shop and Garage Equipment _____	1,118		
394	Laboratory Equipment _____	2,815		
395	Power Operated Equipment _____	11,088		
396	Communication Equipment _____	5,736		
397	Miscellaneous Equipment _____			
398	Other Tangible Plant _____			
	Total Wastewater Plant _____	\$ 1,361,373	\$ 2,326	\$ _____
102	Utility Plant Leased to Others _____			
103	Property Held for Future Use _____			
104	Utility Plant Purchased or Sold _____			
105	Construction Work in Progress _____			
106	Completed Construction Not Classified _____			
	Total Utility Plant _____	\$ 1,361,373	\$ 2,326	\$ _____

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

WASTEWATER UTILITY PLANT MATRIX					
CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 GENERAL PLANT (k)
\$	\$				
53,061			8,061	45,000	
83,222		63,644	548	18,465	565
43,197		43,197			
926,866		926,866			
129,265			129,265		
16,482				16,482	
1,325				1,325	
18,931					18,931
70,593					70,593
1,118					1,118
2,815					2,815
11,088					11,088
5,736					5,736
\$ 1,363,699	\$	\$ 1,033,707	\$ 137,874	\$ 81,272	\$ 110,846
\$ 1,363,699	\$ 0	\$ 1,033,707	\$ 137,874	\$ 81,272	\$ 110,846

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

YEAR OF REPORT
 December 31, 1997

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

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

Explain all Debits charged to Account 271 below:

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

YEAR OF REPORT
 December 31, 1997

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

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
			\$
Total Credits			\$ N/A

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

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ 152,492
Debits during year:	
Accruals charged to Account	
272	9,024
Other Debits (specify):	
Total debits	9,024
Credits during year (specify):	
Total credits	
Balance end of year	\$ 161,516

YEAR OF REPORT
December 31, 1997

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

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

YEAR OF REPORT
 December 31, 1997

BASIS FOR WASTEWATER DEPRECIATION CHARGES

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

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

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

YEAR OF REPORT
 December 31, 1997

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises _____	_____	_____	_____	_____
354	Structure and Improvements _____	21,344	2,600	_____	2,600
360	Collection Sewers - Force _____	6,355	1,440	_____	1,440
361	Collection Sewers - Gravity _____	516,623	23,171	_____	23,171
362	Special Collecting Structures _____	_____	_____	_____	_____
363	Services to Customers _____	_____	_____	_____	_____
364	Flow Measuring Devices _____	_____	_____	_____	_____
365	Flow Measuring Installations _____	_____	_____	_____	_____
370	Receiving Wells _____	_____	_____	_____	_____
371	Pumping Equipment _____	73,992	5,712	697 (1)	6,409
380	Treatment & Disposal Equipment _____	_____	_____	_____	_____
381	Plant Sewers _____	9,628	471	_____	471
382	Outfall Sewer Lines _____	199	44	_____	44
389	Other Plant and Miscellaneous Equipment _____	_____	_____	_____	_____
390	Office Furniture & Equipment _____	8,347	1,235	1 (1)	1,236
391	Transportation Equipment _____	62,628	1,986	1 (1)	1,987
392	Stores Equipment _____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment _____	175	70	_____	70
394	Laboratory Equipment _____	2,127	187	_____	187
395	Power Operated Equipment _____	10,344	477	_____	477
396	Communication Equipment _____	3,851	574	_____	574
397	Miscellaneous Equipment _____	_____	_____	_____	_____
398	Other Tangible Plant _____	_____	_____	_____	_____
	Total Depreciable Wastewater Plant In Service _____	\$ 715,613	\$ 37,967	\$ 699	\$ 38,666

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

Note (1): To record accumulated depreciation from date of acquisition for assets expensed in prior years in error

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

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$	\$	\$	\$	\$	
					23,944
					7,795
					539,794
					80,401
					10,099
					243
					9,583
					64,615
					245
					2,314
					10,821
					4,425
\$	\$	\$	\$	\$	754,279

UTILITY NAME: Aloha Utilities, Inc.

SYSTEM NAME: Aloha Gardens

YEAR OF REPORT
December 31, 1997

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees _____	\$ 55,756	\$ 1,569	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders _____	33,368		
704	Employee Pensions and Benefits _____	25,580		
710	Purchased Sewage Treatment _____	521,877		
711	Sludge Removal Expense _____			
715	Purchased Power _____	19,569		
716	Fuel for Power Purchased _____			
718	Chemicals _____			
720	Materials and Supplies _____	8,256		55
731	Contractual Services - Engineering _____	213		
732	Contractual Services - Accounting _____	7,300		
733	Contractual Services - Legal _____	3,856		
734	Contractual Services - Management Fees _____			
735	Contractual Services - Other _____	40,262	85	1,013
741	Rental of Building/Real Property _____	2,783		
742	Rental of Equipment _____			
750	Transportation Expense _____	1,862		
756	Insurance - Vehicle _____	3,300		
757	Insurance - General Liability _____	2,842		
758	Insurance - Workmens Compensation _____	2,170		
759	Insurance - Other _____			
760	Advertising Expense _____			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense _____			
767	Regulatory Commission Expenses Other _____			
770	Bad Debt Expense _____	2,366		
775	Miscellaneous Expenses _____	8,376		
	Total Wastewater Utility Expenses _____	\$ 739,736	\$ 1,654	\$ 1,068

WASTEWATER EXPENSE ACCOUNT MATRIX

.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ 3,955	\$ 12,648	\$	\$ 16,005	\$ 11,458	\$ 10,121
					33,368
					25,580
		521,877			
10,090		8,946			533
150			468	4,983	2,600
213					7,300
					3,856
6,662	8,671	885	4,099	10,953	7,894
					2,783
					1,178
	337	223	124		3,300
					2,842
					2,170
				2,366	
					8,376
\$ 21,070	\$ 21,656	\$ 531,931	\$ 20,696	\$ 29,760	\$ 111,901

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

YEAR OF REPORT
 December 31, 1997

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			\$
521.1	Residential Revenues _____			
521.2	Commercial Revenues _____			
521.3	Industrial Revenues _____			
521.4	Revenues From Public Authorities _____			
521.6	Other Revenues _____			
	Total Flat Rate Revenues _____			
	Measured Revenues:			
522.1	Residential Revenues _____	2,796	2,789	819,366
522.2	Commercial Revenues _____	39	39	159,531
522.3	Industrial Revenues _____			
522.4	Revenues From Public Authorities _____			
522.5	Multiple Family Dwelling Revenues _____			
	Total Measured Revenues _____	2,835	2,828	978,897
523	Revenues From Public Authorities _____			
524	Revenues From Other Systems _____			
525	Interdepartmental Revenues _____			
	Totals _____	2,835	2,828	978,897
	Other Wastewater Revenues:			
530	Guaranteed Revenues _____			
531	Sale Of Sludge _____			
532	Forfeited Discounts _____			
534	Rents From Wastewater Property _____			
535	Interdepartmental Rents _____			9,705
536	Other Wastewater Revenues _____			
	Total Other Wastewater Revenues _____			9,705
	Total Wastewater Operating Revenues _____			\$ 988,602

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

YEAR OF REPORT
 December 31, 1997

COLLECTING MAINS

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

FORCE MAINS

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

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

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

TREATMENT PLANT

Manufacturer _____	Purchased (1) _____	_____	_____
Type _____	_____	_____	_____
"Steel" or "Concrete" _____	_____	_____	_____
Total Capacity _____	_____	_____	_____
Average Daily Flow _____	441,222	_____	_____
Effluent Disposal _____	_____	_____	_____
Total Gallons of Sewage Purchased _____	161,046,000	_____	_____

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

OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.	
1. Maximum number of ERC's * which can be served.	1,604
2. Estimated annual increase in ERC's * .	None - System is built-out
3. List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation.	DO51-6485
4. State any plans and estimated completion dates for any enlargements of this system.	None
5. If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:	
a. Evaluation of the present plant or plants in regard to meeting the DER's rules.	N/A
b. Plans for funding and construction of the required upgrading.	
c. Have these plans been coordinated with the DER?	N/A
d. Do they concur?	N/A
e. When will construction begin?	
6. In what percent of your certificated area have service connections been installed?	100 %
* ERC = (Total Gallons Sold / 365 Days) / 275 Gallons Per Day	

YEAR OF REPORT
December 31, 1997

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

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS START OF YEAR (d)	NUMBER OF METERS END OF YEAR (e)	TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
5/8"	D	1.0	2,355 (1)	2,348	2,348
3/4"	D	1.5			
1"	D	2.5	5	5	13
1 1/2"	D,T	5.0	3	3	15
2"	D,C,T	8.0	2	2	16
3"	D	15.0			
3"	C	16.0	3	3	48
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0	1	1	50
6"	T	62.5			
8"	C	80.0	2	2	160
8"	T	90.0			
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			2,371	2,364	2,650

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{161,046,000}{365 \text{ days}} \right) / 275 \text{ gpd} = 1,604$$

(total gallons purchased)

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

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

YEAR OF REPORT
 December 31, 1997

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service _____	S-3	\$ 13,695,224
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	S-8	2,796,372
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	S-4	8,776,204
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ 2,122,648
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	S-5	2,157,988
	Subtotal _____		\$ 4,280,636
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	S-9	270,788
	Other (Specify): _____ _____ _____		
	RATE BASE _____		\$ 4,551,424
	UTILITY OPERATING INCOME _____		\$ 397,737
	ACHIEVED RATE OF RETURN _____		8.74 %

NOTES:

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

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

YEAR OF REPORT
 December 31, 1997

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	Operating Revenues -----	S-10	\$ 2,192,657
401	Operating Expenses -----	S-9	1,249,243
403	Depreciation Expense -----	S-8/S-5	178,412
406	Amortization of Utility Plant Acquisition Adjustment -----		
407	Amortization Expense -----		265,513
408.1	Taxes Other Than Income -----	F-16	
409.1	Income Taxes -----	F-16	106,493
410.10	Deferred Federal Income Taxes -----		19,930
410.11	Deferred State Income Taxes -----		
411.10	Provision for Deferred Income Taxes - Credit -----		(24,671)
412.10	Investment Tax Credits Deferred to Future Periods -----		
412.11	Investment Tax Credits Restored to Operating Income -----		
	Utility Operating Expenses -----		1,794,920
	Utility Operating Income -----		397,737
413	Income From Utility Plant Leased to Others -----		
414	Gains (Losses) From Disposition of Utility Property -----		
	Total Utility Operating Income -----		397,737

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

YEAR OF REPORT
 December 31, 1997

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization _____	\$ _____	\$ _____	\$ _____
352	Franchises _____		3,095	
353	Land and Land Rights _____	588,030		
354	Structure and Improvements _____	1,239,070	22,216	
360	Collection Sewers - Force _____	321,932	653,183	
361	Collection Sewers - Gravity _____	5,321,325	272,595	233,766
362	Special Collecting Structures _____			
363	Services to Customers _____		85,337	
364	Flow Measuring Devices _____	26,712		
365	Flow Measuring Installations _____			
370	Receiving Wells _____			
371	Pumping Equipment _____	442,689	144,136	
380	Treatment & Disposal Equipment _____	885,693	97,654	
381	Plant Sewers _____	354,310	(1)	
382	Outfall Sewer Lines _____	477,298	1,443	
389	Other Plant and Miscellaneous Equipment _____	2,214,868	495,434	
390	Office Furniture & Equipment _____	59,064	3,189	
391	Transportation Equipment _____	133,605		
392	Stores Equipment _____			
393	Tools, Shop and Garage Equipment _____	2,288	8,027	
394	Laboratory Equipment _____	3,882	165	
395	Power Operated Equipment _____	53,239		
396	Communication Equipment _____	18,512		
397	Miscellaneous Equipment _____			
398	Other Tangible Plant _____			
	Total Wastewater Plant _____	\$ 12,142,517	\$ 1,786,473	\$ 233,766
102	Utility Plant Leased to Others _____			
103	Property Held for Future Use _____			
104	Utility Plant Purchased or Sold _____			
105	Construction Work in Progress _____	412,691	(386,325)	
106	Completed Construction Not Classified _____			
	Total Utility Plant _____	\$ 12,555,208	\$ 1,400,148	\$ 233,766

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

WASTEWATER UTILITY PLANT MATRIX

	.1	.2	.3	.4	.5
CURRENT YEAR (f)	INTANGIBLE PLANT (g)	COLLECTION PLANT (h)	SYSTEM PUMPING PLANT (i)	TREATMENT AND DISPOSAL PLANT (j)	GENERAL PLANT (k)
\$	\$				
3,095	3,095				
588,030		252,500	10,580	324,950	
1,261,286		216,914	77,173	959,359	7,840
975,115		975,115			
5,360,154		5,360,154			
85,337		85,337			
26,712		26,712			
586,825			586,825		
983,347				983,347	
354,309				354,309	
478,741				478,741	
2,710,302		1,469		2,708,833	
62,253					62,253
133,605					133,605
10,315					10,315
4,047					4,047
53,239					53,239
18,512					18,512
\$ 13,695,224	\$ 3,095	\$ 6,918,201	\$ 674,578	\$ 5,809,539	\$ 289,811
26,366					
\$ 13,721,590	\$ 3,095	\$ 6,918,201	\$ 674,578	\$ 5,809,539	\$ 289,811

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

YEAR OF REPORT
December 31, 1997

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WASTEWATER (b)
Balance First of Year	\$ 8,000,926
Add credits during year:	
Contributions Received From Capacity, Main Extension and Customer Connection Charges (Schedule "A")	85,497
Contributions received from Developer or Contractor Contractor Agreements in cash or property (Schedule "B")	923,547
Total Credits	1,009,044
Less debits charged during the year (All debits charged during the year must be explained below)	233,766
Total Contributions In Aid of Construction	\$ 8,776,204

Explain all Debits charged to Account 271 below:

Retire contributed property - \$233,766

YEAR OF REPORT
December 31, 1997

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

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

YEAR OF REPORT
 December 31, 1997

BASIS FOR WASTEWATER DEPRECIATION CHARGES

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

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

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

YEAR OF REPORT
December 31, 1997

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises _____	_____	77	832 (1)	909
354	Structure and Improvements _____	493,799	38,102	838 (1)	38,940
360	Collection Sewers - Force _____	69,277	21,694	1,666 (1)	23,360
361	Collection Sewers - Gravity _____	1,338,095	129,676	_____	129,676
362	Special Collecting Structures _____	_____	_____	_____	_____
363	Services to Customers _____	_____	1,293	_____	1,293
364	Flow Measuring Devices _____	2,671	5,342	_____	5,342
365	Flow Measuring Installations _____	_____	_____	_____	_____
370	Receiving Wells _____	_____	_____	_____	_____
371	Pumping Equipment _____	96,801	25,876	843 (1)	26,719
380	Treatment & Disposal Equipment _____	78,685	61,092	29,337 (1)	90,429
381	Plant Sewers _____	6,079	10,123	1 (1)	10,124
382	Outfall Sewer Lines _____	275,248	15,958	525 (1)	16,483
389	Other Plant and Miscellaneous Equipment _____	61,778	136,473	8,087 (1)	144,560
390	Office Furniture & Equipment _____	39,218	2,186	(1)(1)	2,185
391	Transportation Equipment _____	92,850	11,847	(1)(1)	11,846
392	Stores Equipment _____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment _____	404	586	2,717 (1)	3,303
394	Laboratory Equipment _____	1,359	265	_____	265
395	Power Operated Equipment _____	19,556	3,991	(2)(1)	3,989
396	Communication Equipment _____	18,399	32	_____	32
397	Miscellaneous Equipment _____	_____	_____	_____	_____
398	Other Tangible Plant _____	_____	_____	_____	_____
	Total Depreciable Wastewater Plant In Service _____	\$ 2,594,219	\$ 464,613	\$ 44,842	\$ 509,455

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

Note (1): To record accumulated depreciation from date of acquisition for assets expensed in prior years in error

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

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	909
_____	_____	_____	_____	_____	532,739
_____	_____	_____	_____	_____	92,637
(233,766)	_____	(73,536)	_____	(307,302)	1,160,469
_____	_____	_____	_____	_____	1,293
_____	_____	_____	_____	_____	8,013
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	123,520
_____	_____	_____	_____	_____	169,114
_____	_____	_____	_____	_____	16,203
_____	_____	_____	_____	_____	291,731
_____	_____	_____	_____	_____	206,338
_____	_____	_____	_____	_____	41,403
_____	_____	_____	_____	_____	104,696
_____	_____	_____	_____	_____	3,707
_____	_____	_____	_____	_____	1,624
_____	_____	_____	_____	_____	23,545
_____	_____	_____	_____	_____	18,431
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
\$ (233,766)	\$ _____	\$ (73,536)	\$ _____	\$ (307,302)	\$ 2,796,372

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

YEAR OF REPORT
 December 31, 1997

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees	\$ 128,098	\$ 4,157	\$ 48
703	Salaries and Wages - Officers, Directors and Majority Stockholders	88,400		
704	Employee Pensions and Benefits	72,786		
710	Purchased Sewage Treatment			
711	Sludge Removal Expense	318,953		
715	Purchased Power	112,615		
716	Fuel for Power Purchased			
718	Chemicals	16,866		
720	Materials and Supplies	39,226		580
731	Contractual Services - Engineering	40,414	6,038	
732	Contractual Services - Accounting	29,908		
733	Contractual Services - Legal	118,352		
734	Contractual Services - Management Fees			
735	Contractual Services - Other	137,942	603	4,899
741	Rental of Building/Real Property	6,502		
742	Rental of Equipment	273		
750	Transportation Expense	31,081		242
756	Insurance - Vehicle	8,485		
757	Insurance - General Liability	7,309		
758	Insurance - Workmens Compensation	4,985		
759	Insurance - Other			
760	Advertising Expense			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	59,448		
767	Regulatory Commission Expenses Other			
770	Bad Debt Expense	2,700		
775	Miscellaneous Expenses	24,900		
	Total Wastewater Utility Expenses	\$ 1,249,243	\$ 10,798	\$ 5,769

WASTEWATER EXPENSE ACCOUNT MATRIX

.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$	\$ 19,039	\$ 36,323	\$ 11,364	\$ 30,355	\$ 26,812
					88,400
					72,786
		318,953			
38,894		72,351			1,370
		16,866			
1,271	2,202	884	14,227	12,835	7,227
2,942		31,434			29,908
					118,352
13,806	14,676	30,102	23,487	28,270	22,099
					6,502
		103	170		6,761
30	4,731	1,534	17,783		8,485
					7,309
					4,985
					59,448
				2,700	
		76	171		24,653
\$ 56,943	\$ 40,648	\$ 508,626	\$ 67,202	\$ 74,160	\$ 485,097

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

YEAR OF REPORT
 December 31, 1997

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues _____			\$ _____
521.2	Commercial Revenues _____			_____
521.3	Industrial Revenues _____			_____
521.4	Revenues From Public Authorities _____			_____
521.6	Other Revenues _____			_____
	Total Flat Rate Revenues _____			_____
	Measured Revenues:			
522.1	Residential Revenues _____	7,735	8,080	1,995,753
522.2	Commercial Revenues _____	121	122	196,904
522.3	Industrial Revenues _____			_____
522.4	Revenues From Public Authorities _____			_____
522.5	Multiple Family Dwelling Revenues _____			_____
	Total Measured Revenues _____	7,856	8,202	2,192,657
523	Revenues From Public Authorities _____			_____
524	Revenues From Other Systems _____			_____
525	Interdepartmental Revenues _____			_____
	Totals _____	7,856	8,202	2,192,657
	Other Wastewater Revenues:			
530	Guaranteed Revenues _____			_____
531	Sale Of Sludge _____			_____
532	Forfeited Discounts _____			_____
534	Rents From Wastewater Property _____			_____
535	Interdepartmental Rents _____			_____
536	Other Wastewater Revenues _____			_____
	Total Other Wastewater Revenues _____			_____
	Total Wastewater Operating Revenues _____			\$ 2,192,657

YEAR OF REPORT
December 31, 1997

PUMPING EQUIPMENT

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

* INDICATE WHICH STATION IS THE MASTER LIFT STATION

SERVICE CONNECTIONS

[illegible]

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

YEAR OF REPORT
December 31, 1997

WASTEWATER SYSTEM INFORMATION

PUMPING EQUIPMENT

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

* INDICATE WHICH STATION IS THE MASTER LIFT STATION

SERVICE CONNECTIONS

[illegible]

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

YEAR OF REPORT
December 31, 1997

WASTEWATER SYSTEM INFORMATION

PUMPING EQUIPMENT

[illegible]

* INDICATE WHICH STATION IS THE MASTER LIFT STATION

SERVICE CONNECTIONS

[illegible]

S-11(c)

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

YEAR OF REPORT
 December 31, 1997

COLLECTING MAINS

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

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

FORCE MAINS

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

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

REUSE MAINS

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

YEAR OF REPORT
December 31, 1997

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

TREATMENT PLANT

Manufacturer _____	Marolf	_____	_____
Type _____	Extended Aeration	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Capacity _____	1.2MGD	_____	_____
Average Daily Flow _____	1,056,132	_____	_____
Effluent Disposal _____	Reuse	_____	_____
Total Gallons of Sewage Treated _____	385,488,000	_____	_____

OTHER WASTEWATER SYSTEM INFORMATION

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

- Maximum number of ERC's * which can be served. 3,840
- Estimated annual increase in ERC's * . 350
- List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation. DO51-2571
- State any plans and estimated completion dates for any enlargements of this system. None
- If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
 - Evaluation of the present plant or plants in regard to meeting the DER's rules. N/A
 - Plans for funding and construction of the required upgrading.
 - Have these plans been coordinated with the DER? N/A
 - Do they concur? N/A
 - When will construction begin? _____
- In what percent of your certificated area have service connections been installed? 47 %

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

YEAR OF REPORT
December 31, 1997

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

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS START OF YEAR (d)	NUMBER OF METERS END OF YEAR (e)	TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
5/8"	D	1.0	7,810	8,154	8,154
3/4"	D	1.5			
1"	D	2.5	21	21	53
1 1/2"	D,T	5.0	8	8	40
2"	D,C,T	8.0	13	14	112
3"	D	15.0			
3"	C	16.0	1	1	16
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0	3	3	150
6"	T	62.5			
8"	C	80.0		1	80
8"	T	90.0			
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			7,856	8,202	8,605

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{385,488,000}{\text{(total gallons treated)}} / 365 \text{ days} \right) / 275 \text{ gpd} = \underline{3,840}$$

CLASS "A" AND "B"

WATER and/or WASTEWATER UTILITIES

CONSOLIDATED ANNUAL REPORT

OF

Aloha Utilities, Inc.

Exact Legal Name of Respondent

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FOR THE
DECEMBER 31, 1997

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

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
ERIC M. DOAN, C.P.A.
ROBERT H. JACKSON, C.P.A.
BRENDA W. McBARRON, C.P.A.
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(813) 797-3602

April 27, 1998

Officers and Directors
Aloha Utilities, Inc.

We have compiled the 1997 Annual Report of Aloha Utilities, Inc. in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

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

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

General Instructions

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

Florida Public Service Commission
Division of Water and Sewer
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

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Water Operation Section					
Reporting System			Seven Springs		
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W-3	Utility Plant Accounts	21	W-9	Water Utility Expense Accounts	29
W-4	Contributions in Aid of Construction	23	W-10	Water Operating Revenue	31
W-5	Additions to CIAC Received From Capacity, Main Extension and Customer Connection Charges	24	W-11	Water System Information, Water Treatment Facilities, Reservoirs	32
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* If more than two reporting systems are included, attach additional Water Table of Contents pages.

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Wastewater Operation Section					
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S-4	Contributions in Aid of Construction	23	S-11	Wastewater System Information, Service Connections	32
S-5	Additions to CIAC Received From Capacity, Main Extension and Customer Connection Charges	24	S-12	Collection Mains, Force Mains	35
S-5	Accum. Amortization of CIAC	24	S-13	Treatment Plant, Other Wastewater System Information	36
S-6	Additions to CIAC Received From All Developer or Contractors Agreements	25	S-14	Meters and Calculation of Meter Equivalents, Calculation of Wastewater System Equivalents	37
S-7	Basis for Wastewater Depreciation				

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

EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

YEAR OF REPORT
December 31, 1997

UTILITY NAME: Aloha Utilities, Inc.

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

- | | | |
|--------------|-----------|--|
| YES
(X) | NO
() | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
(X) | NO
() | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
(X) | NO
() | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
(X) | NO
() | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

Items Certified

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


(signature of the chief executive officer of the utility)

1. () 2. () 3. () 4. ()

N/A
(signature of the chief financial officer of the utility)

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE:

Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

Aloha Utilities, Inc.

(Exact Name of Utility)

County: Pasco

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

2514 Aloha Place
Holiday, Florida 34691

Telephone: (813) 937-4275

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

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

Telephone: (813) 791-4020

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

2514 Aloha Place
Holiday, Florida 34691

Telephone: (813) 937-4275

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

Cronin, Nixon, Jackson and Wilson, CPA's

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

Check the appropriate business entity of the utility as filed with the Internal Revenue Service:

☐

Individual

☐

Partnership

☐

Sub S Corporation

☒

1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the utility:

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

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

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
(2) Provide individual telephone numbers if the person is not normally reached at the company.
(3) Name of company employed by if not on general payroll.

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.**
- B. Public services rendered.**
- C. Major goals and objectives.**
- D. Major operating divisions and functions.**
- E. Current and projected growth patterns.**
- F. Major transactions having a material effect on operations.**

- (A) Aloha Utilities, Inc. began operations as a water and sewer utility servicing the Aloha Gardens sub-division located in Holiday, Florida, west of U.S. Highway 19. In subsequent years, as the Holiday area expanded, the utility extended its service area to the east of U.S. Highway 19.
- (B) The Company provides water and sewer service to customers in its certificated area.
- (C) The primary goal of the Company is to continue rendering quality service to its existing customers while preparing for future growth to serve the needs of prospective customers.
- (D) The Company operates two distinct service areas which are physically divided by U.S. Highway 19, the major north/south highway through Pinellas and Pasco Counties.
- (E) Projected growth is in the service area located east of U.S. Highway 19, referred to as the Seven Springs area, since the Aloha Gardens system is built out. Approximately 350 new connections are expected annually.
- (F) Aloha will begin construction of the next phase of its Seven Springs reuse system in mid-1998. The bid package is being prepared and will be completed in May, 1998. The project will cost approximately \$1.8 million and provide reuse water to a golf course, middle school, college and other potential users.

The Utility must relocate water and sewer lines on Little Road. The cost has been bid by Pasco County and will cost approximately \$434,000.

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

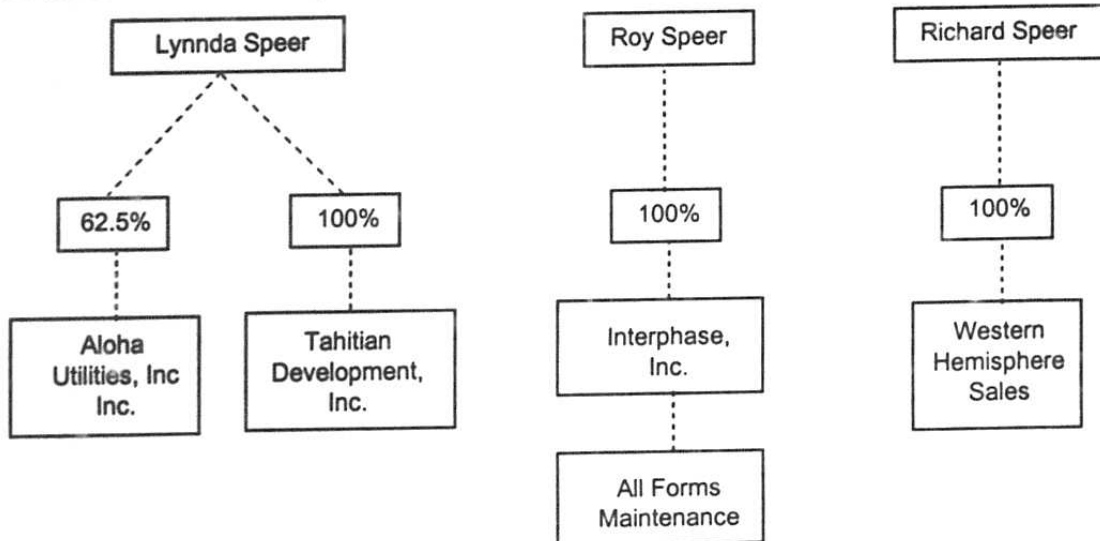
PARENT / AFFILIATE ORGANIZATION CHART
Current as of 12/31/96

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

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

Stockholder:

Ownership %
in entity shown
below:



Note: Roy and Lynnda Speer are husband and wife; Richard Speer is their son.

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

COMPENSATION OF OFFICERS

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
Lynnda Speer	President	20	\$ 69,355
Stephen G. Watford	Vice President	100	\$ 111,195
Yvonne Haller	Secretary	100	\$ 50,922
Joann Pippin	Treasurer	10	\$ 17,543
			\$
			\$
			\$
			\$
			\$
			\$
			\$

COMPENSATION OF DIRECTORS

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, and other business arrangements entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on Page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
None		\$	

- * Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: Aloha Utilities, Inc.

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principal occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPAL OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
Lynnda Speer	Land Development	Treasurer	Tahitian Development, Inc Holiday, Florida
Joann Pippin	Home Builder	Proprietor	AC & R of Citrus, Inc. Inverness, Florida

YEAR OF REPORT
December 31, 1997

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

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

BUSINESS TRANSACTIONS WITH RELATED PARTIES

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

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

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

2. Below are some types of transactions to include:

- management, legal and accounting services
- computer services
- engineering & construction services
- repairing and servicing of equipment
- material and supplies furnished
- leasing of structures, land and equipment
- rental transactions
- sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased or (S)old (d)	AMOUNT (e)
Interphase, Inc.	Data processing and billing	3/1/96 - Open	P	\$ 86,104
Interphase, Inc.	Rental office	Open	P	17,479
Interphase, Inc.	Water purchased	Open	P	68,414
Tahitian Development, Inc	Water purchased	Open	P	44,996
All Forms Maintenance	Security guard	Open	P	18,599
	Maintenance services	Open	P	45,314
	Reuse Water Project	5/23/95 - Open	P	292,300

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

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

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

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

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

DESCRIPTION	(a)	WATER	(b)	SEWER	(c)
PLANT (Intrastate Only)(000's Omitted):					
Plant in Service		\$ 8,207	\$ 15	\$ 15,059	26
Construction Work in Progress					
Plant Acquisition Adjustment					
Plant Held For Future Use					
Materials and Supplies					
Less:					
Accumulated Depreciation and Accumulated Amortization		2,174	4,990	3,551	6,781
Contributions in Aid Of Construction (Net)			1,058	4,753	
Net Book Cost		\$	\$	\$	
REVENUES AND EXPENSES (Intrastate Only)(000's Omitted):					
Operating Revenues		\$ 1,982	\$ 3,181		
Depreciation and Amortization Expense		\$ 60	\$ 207		
Income Tax Expense		\$ 20	\$ 102		
Taxes Other Than Income		\$ 221	\$ 373		
Other Operating Expenses		\$ 1,593	\$ 2,018		
Total Operating Expenses		\$ 1,894	\$ 2,700		
Net Operating Income		\$ 88	\$ 481		
Other Income		\$ 162	\$ 163		
Other Income Deductions		\$ 237	\$ 237		
Net Income		\$ 13	\$ 407		
CUSTOMERS (Intrastate Only):					
Residential - Yearly Average		11,153	10,700		
Commercial - Yearly Average		206	161		
Industrial - Yearly Average					
Others - Yearly Average					
Total		11,359	10,861		
OTHER STATISTICS (Intrastate Only):					
Average Annual Residential Use Per 1,000 Gallons		88	50		
Average Annual Residential Cost Per 1,000 Gallons		1.89	4.94		
Average Residential Monthly Bill		13.36	21.92		
Gross Plant Investment Per Customer		723	1,387		

FINANCIAL

SECTION

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant _____	F-4	\$ 23,307,077	\$ 21,446,995
108-110	Less: Accumulated Depreciation and Amortization _____	F-6	5,724,331	5,586,060
	Net Plant _____		17,582,746	15,860,935
114-115	Utility Plant Acquisition Adjustments (Net) _____	F-5		
116	Other Plant Adjustments (specify) _____			
	Total Net Utility Plant _____		17,582,746	15,860,935
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property _____	F-4		
122	Less: Accumulated Depreciation and Amortization _____			
	Net Nonutility Property _____			
123	Investment in Associated Companies _____	F-7		
124	Utility Investments _____	F-7		
125	Other Investments _____	F-7		
126-127	Special Funds _____	F-7		
	Total Other Property and Investments _____			
CURRENT AND ACCRUED ASSETS				
131	Cash _____		418,784	496,298
132	Special Deposits _____		15,011	576,116
133	Other Special Deposits _____		2,450	2,450
134	Working Funds _____			
135	Temporary Cash Investments _____			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectable Accounts _____	F-8	558,924	558,862
145	Accounts Receivable from Associated Companies _____	F-9		
146	Notes Receivable from Associated Companies _____	F-9		
151-153	Materials and Supplies _____			
161	Stores Expense _____			
162	Prepayments _____	F-10	5,000	
171	Accrued Interest and Dividends Receivable _____			
172	Rents Receivable _____			
173	Accrued Utility Revenues _____		209,821	119,213
174	Misc. Current and Accrued Assets _____			
	Total Current and Accrued Assets _____		1,209,990	1,752,939

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-11	\$ 15,459	\$ 16,021
182	Extraordinary Property Losses	F-11		
183	Preliminary Survey and Investigation Charges			
184	Clearing Accounts			
185	Temporary Facilities			
186	Misc. Deferred Debits	F-10	346,994	228,672
187	Research & Development Expenditures		2,312,897	2,391,698
190	Accumulated Deferred Income Taxes		2,675,350	2,636,391
	Total Deferred Debits			
	TOTAL ASSETS AND OTHER DEBITS		\$ 21,468,086	\$ 20,250,265

NOTES TO THE BALANCE SHEET

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT December 31, 1997
--

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued _____	F-13	\$ 500	\$ 500
204	Preferred Stock Issued _____	F-13	600,000	600,000
202,205	Capital Stock Subscribed _____			
203,206	Capital Stock Liability for Conversion _____			
207	Premium on Capital Stock _____		41,600	41,600
209	Reduction in Par or Stated Value of Capital Stock _____			
210	Gain on Resale or Cancellation of Capital Stock _____			
211	Other Paid-in Capital _____			
212	Discount on Capital Stock _____			
213	Capital Stock Expense _____			
214-215	Retained Earnings _____	F-14	1,556,376	1,137,304
216	Reacquired Capital Stock _____			
218	Proprietary Capital (Proprietorship and Partnership Only) _____			
	Total Equity Capital _____		2,198,476	1,779,404
LONG TERM DEBT				
221	Bonds _____	F-15		
222	Reacquire Bonds _____			
223	Advances from Associated Companies _____	F-15		
224	Other Long Term Debt _____	F-13	3,618,905	3,886,909
	Total Long Term Debt _____		3,618,905	3,886,909
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable _____		475,260	683,037
232	Notes Payable _____	F-12		
233	Accounts Payable to Associated Co. _____	F-12	28,327	28,327
234	Notes Payable to Associated Co. _____	F-12		
235	Customer Deposits _____		229,399	215,280
236	Accrued Taxes _____	F-16	232,884	446,757
237	Accrued Interest _____	F-17		73,474
238	Accrued Dividends _____			
239	Matured Long Term Debt _____			
240	Matured Interest _____			
241	Miscellaneous Current and Accrued Liabilities _____	F-20	21,095	32,360
	Total Current and Accrued Liabilities _____		\$ 986,965	\$ 1,479,235

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT December 31, 1997

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED CREDITS			
251	Unamortized Premium on Debt _____	F-12	\$ _____	\$ _____
252	Advances for Construction _____	F-18		
253	Other Deferred Credits (Contributed Taxes) _____		2,476,454	2,519,428
255	Accumulated Deferred Investment Tax Credits _____			
	Total Deferred Credits _____		2,476,454	2,519,428
	OPERATING RESERVES			
261	Property Insurance Reserve _____			
262	Injuries and Damages Reserve _____			
263	Pensions and Benefits Reserve _____			
265	Miscellaneous Operating Reserves _____			
	Total Operating Reserves _____			
	CONTRIBUTIONS IN AID OF CONSTRUCTION			
271	Contributions in Aid of Construction _____	F-19	15,617,933	14,217,669
272	Accumulated Amortization of Contributions in Aid of Construction _____	F-20	3,846,249	3,961,763
	Total Net C.I.A.C. _____		11,771,684	10,255,906
	ACCUMULATED DEFERRED INCOME TAXES			
281	Accumulated Deferred Income Taxes - Accelerated Depreciation _____		415,602	329,383
282	Accumulated Deferred Income Taxes - Liberalized Depreciation _____			
283	Accumulated Deferred Income Taxes - Other _____			
	Total Accum. Deferred Income Taxes _____		415,602	329,383
	TOTAL EQUITY CAPITAL AND LIABILITIES _____		\$ 21,468,086	\$ 20,250,265

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

COMPARATIVE OPERATING INCOME

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues _____	\$ 4,697,357	F-3(b)	\$ 5,162,824
401	Operating Expenses _____	3,087,530	F-3(b)	3,582,456
403	Depreciation Expense _____	195,145	F-6/F-20	267,122
406	Amortization of Utility Plant Acquisition Adjustment _____			
407	Amortization Expense (Plant Abandonment) _____	29,260		29,260
408.1	Taxes Other Than Income _____	510,667	F-16	594,038
409.1	Income Taxes _____	510,712	F-16	
410.10	Deferred Federal Income Taxes _____	(65,831)		148,521
410.11	Deferred State Income Taxes _____	(28,828)		16,499
411.10	Provision for Deferred Income Taxes - Credit _____	(42,974)		(42,974)
412.10	Investment Tax Credits Deferred to Future Periods _____			
412.11	Investment Tax Credits Restored to Operating Income _____			
	Utility Operating Expenses _____	4,195,681		4,594,922
	Utility Operating Income _____	501,676		567,902
413	Income From Utility Plant Leased To Others _____			
414	Gains (Losses) From Disposition of Utility Property _____			
	Total Utility Operating Income [Enter here and on Page F-3(c)] _____	501,676		567,902

COMPARATIVE OPERATING INCOME

REF. PAGE (f)	WATER (g)	REF. PAGE (h)	SEWER (c)	OTHER (e)
W-10	\$ 1,981,565	S-10	\$ 3,181,259	\$ N/A
W-9	1,593,477	S-9	1,988,979	
F-6/F-20	59,767	F-6/F-20	207,355	
			29,260	
F-16	221,256	F-16	372,782	
F-16	42,176	F-16	106,345	
	(3,405)		19,904	
	(18,303)		(24,671)	
	\$ 1,894,968		\$ 2,699,954	\$
	\$ 86,597		\$ 481,305	\$
	\$ 86,597		\$ 481,305	\$ N/A

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

COMPARATIVE OPERATING INCOME (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [From Page F-3(a)]	\$ 501,676		\$ 567,902
	OTHER INCOME AND DEDUCTIONS			
415	Revenues From Merchandising, Jobbing and Contract Deductions			
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income	34,638		39,951
420	Allowance for Funds Used During Construction	77,771		116,154
421	Miscellaneous Nonutility Revenue			168,675
426	Miscellaneous Nonutility Expenses			
	Total Other Income and Deductions	112,409		324,780
	TAXES APPLICABLE TO OTHER INCOME			
408.20	Taxes Other Than Income		F-16	
409.20	Income Taxes		F-16	
410.20	Provision for Deferred Income Taxes	(40,186)		
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
	Total Taxes Applicable to Other Income	(40,186)		
	INTEREST EXPENSE			
427	Interest Expense	21,580	F-17	473,048
428	Amortization of Debt Discount & Expense	562	F-11	562
429	Amortization of Premium on Debt		F-11	
	Total Interest Expense	22,142		473,610
	EXTRAORDINARY ITEMS			
433	Extraordinary Income			
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
	Total Extraordinary Items			
	NET INCOME	\$ 551,757		\$ 419,072

YEAR OF REPORT
December 31, 1997

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
	Plant Accounts				
101	Utility Plant In Service	\$ 8,207,093	\$ 15,058,923	\$ N/A	\$ 23,266,016
102	Utility Plant Leased to Others				
103	Property Held for Future Use				
104	Utility Plant Purchased or Sold				
105	Construction Work in Progress	14,695	26,366		41,061
106	Completed Construction Not Classified				
	Total Utility Plant	\$ 8,221,788	\$ 15,085,289	\$ N/A	\$ 23,307,077

Report separately each item of property with a book cost of \$25,000 or more included in Account 121. Other items may be grouped by classes of property.				
DESCRIPTION (a)	BEGINNING YEAR BALANCE (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
N/A	\$ _____	_____	_____	\$ _____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Nonutility Property _____	\$ _____	\$ _____	\$ _____	\$ _____

YEAR OF REPORT
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Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.				
DESCRIPTION (a)	WATER (b)	SEWER (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):			N/A	\$
Total Plant Aquisition Adjts. _____	N/A	N/A	N/A	N/A
ACCUMULATED AMORTIZATION (115):			N/A	\$
Total Accumulated Amortization _____	N/A	N/A		N/A
Net Acquisition Adjustments_____	\$ N/A	\$ N/A	\$ N/A	\$ N/A

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$ 2,276,228	\$ 3,309,832	\$ N/A	\$ 5,586,060
Credits during year:				
Accruals charged:				
to Account 108.1	224,561	502,580		727,141
to Account 108.2				
to Account 108.3				
Accruals charged other accounts (specify) Prior year depr - below the line	23,130	45,541		68,671
Salvage				
Other Credits (specify)				
Total credits	247,691	548,121		795,812
Debits during year:				
Book cost of plant retired (Abandoned)	276,257	233,766		510,023
Cost of removal	73,982	73,536		147,518
Other debits (specify)				
Total debits	350,239	307,302		657,541
Balance end of year	\$ 2,173,680	\$ 3,550,651	\$ N/A	\$ 5,724,331

ACCUMULATED AMORTIZATION (ACCT. 110)

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

INVESTMENTS AND SPECIAL FUNDS (ACCTS. 123 - 127)

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

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123): N/A	\$	\$
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total Investment In Associated Companies _____		\$
UTILITY INVESTMENTS (ACCT. 124): N/A	\$	\$
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total Utility Investments _____		\$
OTHER INVESTMENTS (ACCT. 125): N/A	\$	\$
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total Other Investments _____		\$
SPECIAL FUNDS (ACCTS. 126 & 127) N/A		\$
Total Special Funds _____		\$

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)	TOTAL (b)
ACCOUNTS RECEIVABLE:	
Customer Accounts Receivable (Acct. 141):	
Water__ Combined Water & Sewer__	\$ 558,924
Sewer__	
Other__	
Total Customer Accounts Receivable__	\$ 558,924
OTHER ACCOUNTS RECEIVABLE (Acct. 142):	
____	\$

Total Other Accounts Receivable__	
NOTES RECEIVABLE (Acct. 144):	
____	\$

Total Notes Receivable__	
Total Accounts and Notes Receivable__	558,924
ACCUMULATED PROVISION FOR UNCOLLECTABLE ACCOUNTS (Acct. 143):	
Balance First of Year__ N/A	\$
Add: Provision for uncollectables for current year__	
Collections of accounts previously written off__	
Utility accounts__	
Others__	
Total Additions__	
Deduct accounts written off during year:	
Utility accounts__	
Others__	
Total accounts written off__	
Balance end of year__	
Total Accounts and Notes Receivable - Net__	\$ 558,924

YEAR OF REPORT
December 31, 1997

Report each account receivable from associated companies separately.	
DESCRIPTION (a)	TOTAL (b)
N/A	\$ _____
Total _____	\$ _____

Report each note receivable from associated companies separately.		
DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
N/A		\$ _____

Total -----		\$ =====

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

PREPAYMENTS (ACCT. 162)

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance _____	\$ _____
Prepaid Rents _____	_____
Prepaid Interest _____	_____
Prepaid Taxes _____	_____
Other Prepayments (Specify):	
Prepaid DEP fees _____	5,000
Total Prepayments _____	\$ 5,000

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186):

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1) ___ Docket No. 950615-SU _____	\$ 118,895
Other Deferred Debits (Acct 186.2) (Loss on plant retirement; Deferred Rule Challenge and Deferred Audit Fees)	228,099
Total Miscellaneous Deferred Debits _____	\$ 346,994

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Acct. 181):		
Loan costs related to \$3,040,046 Line of Credit from L. Speer	\$ 562	\$ 15,459
Total Unamortized Debt Discount and Expense _____	\$ 562	\$ 15,459
UNAMORTIZED PREMIUM ON DEBT (Acct. 251):		
N/A	\$	\$
Total Unamortized Premium on Debt _____	\$	\$

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

NOTES PAYABLE (ACCTS. 232 AND 234)

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

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
Tahitian Development	\$ 28,327
Total	\$ 28,327

YEAR OF REPORT
December 31, 1993

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

[illegible]

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock.

Show amounts of dividends per share.

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

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings:	
	Balance beginning of year _____	\$ 1,137,304
439	Changes to account:	
	Adjustments to Retained Earnings (requires	
	Commission approval prior to use):	
	Credits: _____	

	Total Credits _____	
	Debits: _____	

	Total Debits _____	
435	Balance transferred from Income _____	419,072
436	Appropriations of Retained Earnings:	

	Total appropriations of Retained Earnings _____	
	Dividends declared:	
437	Preferred stock dividends declared _____	
438	Common stock dividends declared _____	

	Total Dividends Declared _____	
	Balance end of year _____	1,556,376
214	Appropriated Retained Earnings (state balance and purpose of	
	each appropriated amount at year end):	

	Total Appropriated Retained Earnings _____	
	Total Retained Earnings _____	\$ 1,556,376

Notes to Statement of Retained Earnings:

YEAR OF REPORT
December 31, 1997

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

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

ACCRUED TAXES (ACCT. 236)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER (e)	TOTAL (f)
	Balance First of Year _____	\$ 179,798	\$ 266,959	\$ N/A	\$ 446,757
	Accruals Charged:				
408.10	Utility Regulatory				
	Assessment Fees _____	89,170	143,157		232,327
408.11	Property Taxes _____	5,797	18,478		24,275
408.12	Payroll Taxes _____	29,612	138,378		167,990
408.13	Other Taxes & Licenses _____	96,677	72,769		169,446
409.10	Federal Income Taxes _____				
409.11	State Income Taxes _____				
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) _____				
	Total Taxes Accrued _____	221,256	372,782		594,038
	Taxes Paid During Year:				
408.10	Utility Regulatory				
	Assessment Fees _____	84,859	126,524		211,383
408.11	Property Taxes _____	98,658	157,317		255,975
408.12	Payroll Taxes _____	31,133	139,675		170,808
408.13	Other Taxes & Licenses _____	96,677	72,768		169,445
409.10	Federal Income Taxes _____				
409.11	State Income Taxes _____		300		300
	Taxes Applicable to Other Income (Accts. 408.2, 409.2, 409.3, 410.2) _____				
	Total Taxes Paid _____	311,327	496,584		807,911
	Balance End of Year _____	\$ 89,727	\$ 143,157	\$ N/A	\$ 232,884

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

ACCRUED INTEREST (ACCT. 237)

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - ACCRUED INTEREST ON LONG TERM DEBT:					
L.L. Speer (LOC)	\$ 73,474	105	\$ 456,313	529,787	\$ 0
L.L. Speer (DOT)	0	427	3,704	3,704	0
Total Account No. 237.1	73,474		460,017	533,491	0
ACCOUNT NO. 237.2 - ACCRUED INTEREST ON OTHER LIABILITIES:					
Customer Deposits	0	427	13,031	13,031	0
Total Account 237.2			13,031	13,031	
Total Account 237	\$ 73,474		\$ 473,048	\$ 546,522	\$ 0

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

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT. (d)	AMOUNT (e)
Docket No. 950615-SU Seven Spring - total	\$ 198,892	\$ 198,892	766	\$ 59,448
Total	\$ 198,892	\$ 198,892		\$ 59,448

UTILITY NAME Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

ADVANCES FOR CONSTRUCTION (ACCT. 252)[illegible]

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year _____	\$ 5,892,157	\$ 8,325,512	\$ N/A	\$ 14,217,669
Add credits during year:				
Contributions received from Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	105,077	85,497		190,574
Contributions received from Developer or Contractor Agreements in cash or property (Schedule "B") _____	796,166	923,547		1,719,713
Total Credits _____	901,243	1,009,044		1,910,287
Less debits charged during the year (All debits charged during year must be explained below) _____	276,257	233,766		510,023
Total Contributions In Aid of Construction _____	\$ 6,517,143	\$ 9,100,790	\$ N/A	\$ 15,617,933

Explain all debits charged to Account 271 below:

Retirement of contributed property - \$276,257 and \$233,766

YEAR OF REPORT
December 31, 1997

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year _____	\$ 1,672,739	\$ 2,289,024	\$ N/A	\$ 3,961,763
Debits during year:				
Accruals charged to Account 272 _____	164,794	295,223		460,017
Other debits (specify): _____ _____				
Total debits _____	164,794	295,223		460,017
Credits during year (specify):				
Retirement of contributed plant	276,258	233,767		510,025
Cost of removal	34,530	30,976		65,506
Total Credits _____	310,788	264,743		575,531
Balance end of year _____	\$ 1,526,745	\$ 2,319,504	\$ N/A	\$ 3,846,249

[illegible]

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

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

DESCRIPTION (a)	REFERENCE (b)	AMOUNT (c)
1. The reconciliation should include the same detail as furnished on schedule M-1 of the federal income tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.		
2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among group members.		
Net income for the year _____		\$ 419,072
Reconciling items for the year:		
Taxable income not reported on the books:		
Meter fees _____		35,790

Deductions recorded on books not deducted for return:		
Amortization of plant retirement _____		29,260
Deferred Income Taxes _____		122,046

Income recorded on books not deducted for return:		
Remove AFUDC income _____		116,154

Deduction on return not charged against book income:		
Depreciation timing difference _____		483,652
Cost of removal of retired plant _____		69,155
Tax loss on retired plant _____		31,403
Federal tax net income (loss) _____		\$ (94,196)
Computation of tax:		

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

YEAR OF REPORT
December 31, 1997

UTILITY NAME: Aloha Utilities, Inc.

SCHEDULE "A"

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

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$ 1,388,940	21.92 %	10.43 %	2.29 %
Preferred Stock	600,000	9.47 %	10.46 %	0.99 %
Long Term Debt	3,752,907	59.23 %	11.00 %	6.52 %
Customer Deposits	222,340	3.51 %	6.00 %	0.21 %
Tax Credits - Zero Cost		%	%	%
Tax Credits - Weighted Cost		%	%	%
Deferred Income Taxes	372,493	5.88 %	- %	- %
Other (Explain)		%	%	%
Total	\$ 6,336,679	100 % 100.0100		10.01 %

- (1) Should equal amounts on Schedule B, Column (f), page F-25.
- (2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: 14.71 %

Commission order approving AFUDC rate: 22206

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

UTILITY NAME: Aloha Utilities, Inc.

YEAR OF REPORT
December 31, 1997

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS (e)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)
Common Equity	\$ 1,388,940	\$	\$	\$	\$ 1,388,940
Preferred Stock	600,000				600,000
Long Term Debt	3,752,907				3,752,907
Customer Deposits	222,340				222,340
Tax Credits - Zero Cost					
Tax Credits - Weighted Cost					
Deferred Income Taxes	372,493				372,493
Other (Explain)					
Total	\$ <u>6,336,679</u>	\$	\$	\$	\$ <u>6,336,679</u>

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

WATER OPERATION SECTION

Water Listing of System Groups

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned the same group number. The water financial schedules (W-1 through W-10) should be filed for the group in total. The water engineering schedules (W-11 through W-14) must be filed for each system in the group. All water pages should be arranged by group number. An example of system grouping follows:

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

[illegible]

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

YEAR OF REPORT
 December 31, 1997

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service _____	W-3	\$ 844,287
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	W-8	716,788
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	W-4	438,245
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ (310,746)
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	W-5	269,772
	Subtotal _____		\$ (40,974)
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	W-9	96,427
	Other (Specify): _____ _____		
	RATE BASE _____		\$ 55,453
	UTILITY OPERATING INCOME _____		\$ (13,470)
	ACHIEVED RATE OF RETURN (Note 4) _____		- - %

NOTES:

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

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

YEAR OF REPORT
 December 31, 1997

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	Operating Revenues _____	W-10	\$ 503,155
401	Operating Expenses _____	W-9	444,244
403	Depreciation Expense _____	W-8/W-5	12,199
406	Amortization of Utility Plant Acquisition Adjustment _____		
407	Amortization Expense _____		
408.1	Taxes Other Than Income _____	F-16	59,145
409.1	Income Taxes _____	F-16	
410.10	Deferred Federal Income Taxes _____		886
410.11	Deferred State Income Taxes _____		151
411.10	Provision for Deferred Income Taxes - Credit _____		
412.10	Investment Tax Credits Deferred to Future Periods _____		
412.11	Investment Tax Credits Restored to Operating Income _____		
	Utility Operating Expenses _____		516,625
	Utility Operating Income (Loss) _____		(13,470)
413	Income From Utility Plant Leased to Others _____		
414	Gains (Losses) From Disposition of Utility Property _____		
	Total Utility Operating Income (Loss) _____		\$ (13,470)

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

YEAR OF REPORT
 December 31, 1997

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
301	Organization _____	\$ _____	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____
303	Land and Land Rights _____	5,000	_____	_____
304	Structure and Improvements _____	66,295	_____	_____
305	Collecting and Impounding Reservoirs _____	54,473	3,670	_____
306	Lake, River and Other Intakes _____	_____	_____	_____
307	Wells and Springs _____	_____	_____	_____
308	Infiltration Galleries and Tunnels _____	_____	_____	_____
309	Supply Mains _____	77,076	_____	_____
310	Power Generation Equipment _____	_____	_____	_____
311	Pumping Equipment _____	8,907	_____	_____
320	Water Treatment Equipment _____	1,138	_____	_____
330	Distribution Reservoirs and Standpipes _____	_____	_____	_____
331	Transmission and Distribution Mains _____	280,433	_____	_____
333	Services _____	_____	_____	_____
334	Meters and Meter Installations _____	226,713	_____	_____
335	Hydrants _____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	193	_____	_____
340	Office Furniture and Equipment _____	37,889	498	_____
341	Transportation Equipment _____	54,299	_____	_____
342	Stores Equipment _____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	2,664	_____	_____
344	Laboratory Equipment _____	_____	_____	_____
345	Power Operated Equipment _____	1,563	_____	_____
346	Communication Equipment _____	23,390	_____	_____
347	Miscellaneous Equipment _____	86	_____	_____
348	Other Tangible Plant _____	_____	_____	_____
	Total Water Plant _____	\$ 840,119	\$ 4,168	\$ _____
102	Utility Plant Leased to Others _____	_____	_____	_____
103	Property Held for Future Use _____	_____	_____	_____
104	Utility Plant Purchased or Sold _____	_____	_____	_____
105	Construction Work in Progress _____	_____	_____	_____
106	Completed Construction Not Classified _____	_____	_____	_____
	Total Utility Plant _____	\$ 840,119	\$ 4,168	\$ 0

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

WATER UTILITY PLANT MATRIX

	.1	.2	.3	.4	.5
CURRENT YEAR (f)	INTANGIBLE PLANT (g)	SOURCE OF SUPPLY AND PUMPING PLANT (h)	WATER TREATMENT PLANT (i)	TRANSMISSION AND DISTRIBUTION PLANT (j)	GENERAL PLANT (k)
\$	\$				
5,000		5,000			
66,295		48,725		16,673	897
58,143		58,143			
77,076		77,076			
8,907		8,907			
1,138			1,138		
280,433				280,433	
226,713				226,713	
193		193			38,387
38,387					54,299
54,299					
					2,664
2,664					
					1,563
1,563					23,390
23,390					86
86					
\$ 844,287	\$	\$ 198,044	\$ 1,138	\$ 523,819	\$ 121,286
\$ 844,287	\$ 0	\$ 198,044	\$ 1,138	\$ 523,819	\$ 121,286

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

YEAR OF REPORT
December 31, 1997

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

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

Explain all Debits charged to Account 271 below:

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

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

YEAR OF REPORT
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BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (f)
301	Organization _____		%	%
302	Franchises _____		%	%
304	Structure and Improvements _____	33	%	3.03 %
305	Collecting and Impounding Reservoirs _____		%	%
306	Lake, River and Other Intakes _____		%	%
307	Wells and Springs _____	30	%	3.33 %
308	Infiltration Galleries and Tunnels _____		%	%
309	Supply Mains _____	35	%	2.86 %
310	Power Generation Equipment _____		%	%
311	Pumping Equipment _____	20	%	5.00 %
320	Water Treatment Equipment _____	22	%	4.55 %
330	Distribution Reservoirs and Standpipes _____		%	%
331	Transmission and Distribution Mains _____	43	%	2.33 %
333	Services _____	43	%	2.33 %
334	Meters and Meter Installations _____	20	%	5.00 %
335	Hydrants _____	45	%	2.22 %
339	Other Plant and Miscellaneous Equipment _____	25	%	4.00 %
340	Office Furniture and Equipment _____	15	%	6.67 %
341	Transportation Equipment _____	6	%	16.67 %
342	Stores Equipment _____		%	%
343	Tools, Shop and Garage Equipment _____	16	%	6.25 %
344	Laboratory Equipment _____	10	%	10.00 %
345	Power Operated Equipment _____	12	%	8.33 %
346	Communication Equipment _____	10	%	10.00 %
347	Miscellaneous Equipment _____		%	%
348	Other Tangible Plant _____		%	%
	Water Plant Composite Depreciation Rate *		%	%

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

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

YEAR OF REPORT
December 31, 1997

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____	_____
304	Structure and Improvements _____	55,303	2,003	_____	2,003
305	Collecting and Impounding Reservoirs _____	_____	_____	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____	_____
307	Wells and Springs _____	49,657	1,938	764 (1)	2,702
308	Infiltration Galleries and Tunnels _____	_____	_____	_____	_____
309	Supply Mains _____	65,530	2,202	_____	2,202
310	Power Generation Equipment _____	_____	_____	_____	_____
311	Pumping Equipment _____	3,772	446	(1)(2)	445
320	Water Treatment Equipment _____	674	52	(1)(2)	51
330	Distribution Reservoirs and Standpipes _____	_____	_____	_____	_____
331	Transmission and Distribution Mains _____	239,953	6,522	(1)(2)	6,521
333	Services _____	_____	_____	_____	_____
334	Meters and Meter Installations _____	182,945	3,273	_____	3,273
335	Hydrants _____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	84	13	_____	13
340	Office Furniture and Equipment _____	24,645	2,543	_____	2,543
341	Transportation Equipment _____	48,800	2,039	(1)(2)	2,038
342	Stores Equipment _____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	1,160	172	_____	172
344	Laboratory Equipment _____	_____	_____	_____	_____
345	Power Operated Equipment _____	1,563	0	_____	_____
346	Communication Equipment _____	19,752	988	(1)(2)	987
347	Miscellaneous Equipment _____	_____	_____	_____	_____
348	Other Tangible Plant _____	_____	_____	_____	_____
	Total Depreciation of Water Plant In Service _____	\$ 693,838	\$ 22,191	\$ 759	\$ 22,950

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

Notes: (1) To record accumulated depreciation from date of acquisition for assets expensed in prior years in error
(2) Correct rounding error

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

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$	\$	\$	\$	\$	\$
					57,306
					52,359
					67,732
					4,217
					725
					246,474
					186,218
					97
					27,188
					50,838
					1,332
					1,563
					20,739
\$	\$	\$	\$	\$	\$ 716,788

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

YEAR OF REPORT
 December 31, 1997

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 36,965	\$ 1,721	\$ 69
603	Salaries and Wages - Officers, Directors and Majority Stockholders	36,605		
604	Employee Pensions and Benefits	24,156		
610	Purchased Water	261,809	261,809	
615	Purchased Power	4,634	4,101	
616	Fuel for Power Purchased			
618	Chemicals	1,558		
620	Materials and Supplies	13,200		30
631	Contractual Services - Engineering			
632	Contractual Services - Accounting	7,525		
633	Contractual Services - Legal	4,035		
634	Contractual Services - Management Fees			
635	Contractual Services - Other	27,399		
641	Rental of Building/Real Property	2,784		
642	Rental of Equipment			
650	Transportation Expense	4,556	3,157	
656	Insurance - Vehicle	3,300		
657	Insurance - General Liability	2,842		
658	Insurance - Workmens Compensation	2,402		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Expenses Other			
670	Bad Debt Expense	1,860		
675	Miscellaneous Expenses	8,614		
	Total Water Utility Expenses	\$ 444,244	\$ 270,788	\$ 99

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ _____	\$ 3,847	\$ _____	\$ 7,656	\$ 12,569	\$ 11,103
_____	_____	_____	_____	_____	36,605
_____	_____	_____	_____	_____	24,156
_____	_____	_____	_____	_____	533
1,558	_____	_____	5,581	5,268	2,321
_____	_____	_____	_____	_____	7,525
_____	_____	_____	_____	_____	4,035
2,869	_____	643	1,552	15,320	7,015
_____	_____	_____	_____	_____	2,784
_____	25	223	231	_____	920
_____	_____	_____	_____	_____	3,300
_____	_____	_____	_____	_____	2,842
_____	_____	_____	_____	_____	2,402
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	1,860	8,429
185	_____	_____	_____	_____	_____
\$ 4,612	\$ 3,872	\$ 866	\$ 15,020	\$ 35,017	\$ 113,970

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

YEAR OF REPORT
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ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue _____			\$ _____
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers _____	3,073	3,068	424,006
461.2	Metered Sales to Commercial Customers _____	43	43	76,174
461.3	Metered Sales to Industrial Customers _____			
461.4	Metered Sales to Public Authorities _____			
461.5	Metered Sales to Multiple Family Dwellings _____			
	Total Metered Sales _____	3,116	3,111	500,180
	Fire Protection Revenue:			
462.1	Public Fire Protection _____			
462.2	Private Fire Protection _____			
	Total Fire Protection Revenue _____			
464	Other Sales to Public Authorities _____			
465	Sales to Irrigation Customers _____			
466	Sales for Resale _____			
467	Interdepartmental Sales _____			
	Totals _____	3,116	3,111	\$ 500,180
	Other Water Revenues:			
469	Guaranteed Revenues _____			\$ _____
470	Forfeited Discounts _____			2,975
471	Miscellaneous Service Revenues _____			
472	Rents From Water Property _____			
473	Interdepartmental Rents _____			
474	Other Water Revenues _____			
	Total Other Water Revenues _____			\$ 2,975
	Total Water Operating Revenues _____			\$ 503,155

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

YEAR OF REPORT
 December 31, 1997

WATER SYSTEM INFORMATION

SOURCE OF SUPPLY

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

WATER TREATMENT FACILITIES

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

RESERVOIRS

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

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

UTILITY NAME Aloha Utilities, Inc.

SYSTEM NAME: Aloha Gardens

YEAR OF REPORT
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PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	11,241	3,649	491	14,399	12,834
February	10,640	3,195		13,835	12,920
March	10,913	3,040	450	13,503	12,408
April	11,685	3,783		15,468	13,159
May	10,572	3,679	365	13,886	11,955
June	9,983	3,685	241	13,427	12,362
July	9,204	3,640		12,844	11,560
August	9,249	4,044		13,293	11,501
September	10,404	4,063	312	14,155	13,234
October	8,642	3,937		12,579	11,174
November	8,164	3,863		12,027	11,255
December	7,975	3,594	192	11,377	10,601
Total for year	118,672	44,172	2,051	160,793	144,963

If water is purchased for resale, indicate the following:

Vendor Pasco County Utilities

Point of delivery Holiday

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

N/A

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Present ERC's * that system can efficiently serve.	1135
Estimated annual increase in ERC's *.	None - System is built out
List fire fighting facilities and capacities.	Standby wells and pumps

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

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

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

YEAR OF REPORT
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CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS		TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
			START OF YEAR (d)	END OF YEAR (e)	
5/8"	D	1.0	2,634	2,629	2,629
3/4"	D	1.5			
1"	D	2.5	6	6	15
1 1/2"	D,T	5.0	3	3	15
2"	D,C,T	8.0	3	3	24
3"	D	15.0	3	3	45
3"	C	16.0			
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0	1	1	50
6"	T	62.5			
8"	C	80.0			
8"	T	90.0	2	2	180
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			2,652	2,647	2,958

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{144,963,000}{\text{(total gallons sold)}} \div 365 \text{ days} \right) \div 350 \text{ gpd} = \underline{1,135}$$

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

YEAR OF REPORT
December 31, 1997

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service _____	W-3	\$ 7,362,806
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	W-8	1,456,892
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	W-4	6,078,898
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ (172,984)
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	W-5	1,256,973
	Subtotal _____		\$ 1,083,989
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	W-9	249,343
	Other (Specify): _____ _____ _____		
	RATE BASE _____		\$ 1,333,332
	UTILITY OPERATING INCOME _____		\$ 100,067
	ACHIEVED RATE OF RETURN _____		7.51 %

NOTES:

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

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

YEAR OF REPORT
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WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)
400	Operating Revenues _____	W-10	\$ 1,478,410
401	Operating Expenses _____	W-9	1,149,233
403	Depreciation Expense _____	W-8/W-5	47,568
406	Amortization of Utility Plant Acquisition Adjustment _____		
407	Amortization Expense _____		
408.1	Taxes Other Than Income _____	F-16	162,111
409.1	Income Taxes _____	F-16	
410.10	Deferred Federal Income Taxes _____		41,290
410.11	Deferred State Income Taxes _____		(3,556)
411.10	Provision for Deferred Income Taxes - Credit _____		(18,303)
412.10	Investment Tax Credits Deferred to Future Periods _____		
412.11	Investment Tax Credits Restored to Operating Income _____		
	Utility Operating Expenses _____		1,378,343
	Utility Operating Income _____		100,067
413	Income From Utility Plant Leased to Others _____		
414	Gains (Losses) From Disposition of Utility Property _____		
	Total Utility Operating Income _____		\$ 100,067

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

YEAR OF REPORT
 December 31, 1997

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
301	Organization	\$ 161,503	\$	\$
302	Franchises		3,095	
303	Land and Land Rights	60,023		
304	Structure and Improvements	417,245	1,621	
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs	703,720	11,424	
308	Infiltration Galleries and Tunnels			
309	Supply Mains	51,634	8,388	
310	Power Generation Equipment	2,195		
311	Pumping Equipment	50,065	6,074	
320	Water Treatment Equipment	45,312	453	
330	Distribution Reservoirs and Standpipes	1,580	37,182	
331	Transmission and Distribution Mains	3,561,797	1,014,934	276,257
333	Services	18,764	82,493	
334	Meters and Meter Installations	751,967	65,584	
335	Hydrants	241,373	53,376	
339	Other Plant and Miscellaneous Equipment	6,837		
340	Office Furniture and Equipment	57,927	3,913	
341	Transportation Equipment	129,209		
342	Stores Equipment			
343	Tools, Shop and Garage Equipment	29,398	2,761	
344	Laboratory Equipment	7,552	3,721	
345	Power Operated Equipment	16,546		
346	Communication Equipment	29,397		
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	Total Water Plant	\$ 6,344,044	\$ 1,295,019	\$ 276,257
102	Utility Plant Leased to Others			
103	Property Held for Future Use			
104	Utility Plant Purchased or Sold			
105	Construction Work in Progress	346,086	(331,391)	
106	Completed Construction Not Classified			
	Total Utility Plant	\$ 6,690,130	\$ 963,628	\$ 276,257

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

WATER UTILITY PLANT MATRIX

CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (h)	.3 WATER TREATMENT PLANT (i)	.4 TRANSMISSION AND DISTRIBUTION PLANT (j)	.5 GENERAL PLANT (k)
\$ 161,503	\$ 161,503				
3,095	3,095				
60,023		31,650	28,373		
418,866		73,456	20,557	113,286	211,567
715,144		715,144			
60,022		60,022			
2,195		2,195			
56,139		56,139			
45,765			45,765		
38,762				38,762	
4,300,474				4,300,474	
101,257				101,257	
817,551				817,551	
294,749				294,749	
6,837		74	5,378	1,385	
61,840					61,840
129,209					129,209
32,159					32,159
11,273					11,273
16,546					16,546
29,397					29,397
\$ 7,362,806	\$ 164,598	\$ 938,680	\$ 100,073	\$ 5,667,464	\$ 491,991
14,695					
\$ 7,377,501	\$ 164,598	\$ 938,680	\$ 100,073	\$ 5,667,464	\$ 491,991

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

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

DESCRIPTION (a)	WATER (b)
Balance First of Year _____	\$ 5,453,912
Add credits during year:	
Contributions Received From Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	105,077
Contributions received from Developer or Contractor Contractor Agreements in cash or property (Schedule "B") _____	796,166
Total Credits _____	901,243
Less debits charged during the year (All debits charged during the year must be explained below) _____	276,257
Total Contributions In Aid of Construction _____	\$ 6,078,898

Explain all Debits charged to Account 271 below:

Retire contributed property - \$276,257

SYSTEM NAME: Seven Springs

December 31, 1997

SCHEDULE "A"

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
Capacity charges	423	\$ 163.80	\$ 69,287
Meter Fees - 5/8" Residential	349	75.80	26,454
5/8" Irrigation	1	107.56	108
1"	3	165.00	495
1 1/2"	4	365.00	1,460
2"	1	365.00	365
4"	1	3,880.00	3,880
4"	1	3,028.49	3,028
Total Credits _____			\$ 105,077

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

DESCRIPTION (a)	WATER (b)
Balance first of year _____	\$ 1,412,959
Debits during year:	
Accruals charged to Account	
272 _____	154,802
Other Debits (specify):	

Total debits _____	154,802
Credits during year (specify):	
Retire contributed property _____	276,257
Cost of removal of contributed property _____	34,531
Total credits _____	310,788
Balance end of year _____	\$ 1,256,973

YEAR OF REPORT
December 31, 1997

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

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

YEAR OF REPORT
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BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (f)
301	Organization _____		%	%
302	Franchises _____		%	%
304	Structure and Improvements _____	33	%	3.03 %
305	Collecting and Impounding Reservoirs _____		%	%
306	Lake, River and Other Intakes _____		%	%
307	Wells and Springs _____	30	%	3.33 %
308	Infiltration Galleries and Tunnels _____		%	%
309	Supply Mains _____	35	%	2.86 %
310	Power Generation Equipment _____		%	%
311	Pumping Equipment _____	20	%	5.00 %
320	Water Treatment Equipment _____	22	%	4.55 %
330	Distribution Reservoirs and Standpipes _____		%	%
331	Transmission and Distribution Mains _____	43	%	2.33 %
333	Services _____	43	%	2.33 %
334	Meters and Meter Installations _____	20	%	5.00 %
335	Hydrants _____	45	%	2.22 %
339	Other Plant and Miscellaneous Equipment _____	25	%	4.00 %
340	Office Furniture and Equipment _____	15	%	6.67 %
341	Transportation Equipment _____	6	%	16.67 %
342	Stores Equipment _____		%	%
343	Tools, Shop and Garage Equipment _____	16	%	6.25 %
344	Laboratory Equipment _____	10	%	10.00 %
345	Power Operated Equipment _____	12	%	8.33 %
346	Communication Equipment _____	10	%	10.00 %
347	Miscellaneous Equipment _____		%	%
348	Other Tangible Plant _____		%	%
	Water Plant Composite Depreciation Rate *		%	%

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

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

YEAR OF REPORT
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ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
301	Organization _____	\$ 37,346	\$ 4,038	\$ 1 (2)	\$ 4,039
302	Franchises _____		77	832 (1)	909
304	Structure and Improvements _____	157,620	11,289	671 (1)	11,960
305	Collecting and Impounding Reservoirs _____				
306	Lake, River and Other Intakes _____				
307	Wells and Springs _____	63,930	23,838	2,404 (1)	26,242
308	Infiltration Galleries and Tunnels _____				
309	Supply Mains _____	8,775	1,715	1,217 (1)	2,932
310	Power Generation Equipment _____	329	73		73
311	Pumping Equipment _____	14,828	2,795	1,460 (1)	4,255
320	Water Treatment Equipment _____	12,025	2,039	(3)(2)	2,036
330	Distribution Reservoirs and Standpipes _____	107	1,048	7,602 (1)	8,650
331	Transmission and Distribution Mains _____	777,076	92,569	3,488 (1)	96,057
333	Services _____	1,847	1,695		1,695
334	Meters and Meter Installations _____	304,771	39,429	3,452 (1)	42,881
335	Hydrants _____	23,529	5,957	2 (2)	5,959
339	Other Plant and Miscellaneous Equipment _____	2,077	451	1 (2)	452
340	Office Furniture and Equipment _____	32,784	3,992	(2)(2)	3,990
341	Transportation Equipment _____	103,255	7,031		7,031
342	Stores Equipment _____				
343	Tools, Shop and Garage Equipment _____	3,016	2,001	1,249 (1)	3,250
344	Laboratory Equipment _____	3,037	628	(2)(2)	626
345	Power Operated Equipment _____	8,633	1,379	(1)(2)	1,378
346	Communication Equipment _____	27,405	326		326
347	Miscellaneous Equipment _____				
348	Other Tangible Plant _____				
	Total Depreciable Water Plant In Service _____	\$ 1,582,390	\$ 202,370	\$ 22,371	\$ 224,741

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

Notes: (1) To record accumulated depreciation from date of acquisition for assets expensed in prior years in error
(2) Correct rounding error

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

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 41,385
_____	_____	_____	_____	_____	909
_____	_____	_____	_____	_____	169,580
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	90,172
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	11,707
_____	_____	_____	_____	_____	402
_____	_____	_____	_____	_____	19,083
_____	_____	_____	_____	_____	14,061
_____	_____	_____	_____	_____	8,757
(276,257)	_____	(73,982)	_____	(350,239)	522,894
_____	_____	_____	_____	_____	3,542
_____	_____	_____	_____	_____	347,652
_____	_____	_____	_____	_____	29,488
_____	_____	_____	_____	_____	2,529
_____	_____	_____	_____	_____	36,774
_____	_____	_____	_____	_____	110,286
_____	_____	_____	_____	_____	6,266
_____	_____	_____	_____	_____	3,663
_____	_____	_____	_____	_____	10,011
_____	_____	_____	_____	_____	27,731
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
\$ (276,257)	\$ _____	\$ (73,982)	\$ _____	\$ (350,239)	\$ 1,456,892

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

YEAR OF REPORT
December 31, 1997

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ 246,175	\$ 4,262	\$ 358
603	Salaries and Wages - Officers, Directors and Majority Stockholders	90,642		
604	Employee Pensions and Benefits	79,028		
610	Purchased Water	147,653	147,653	
615	Purchased Power	88,975	87,605	
616	Fuel for Power Purchased			
618	Chemicals	88,975		
620	Materials and Supplies	89,090		928
631	Contractual Services - Engineering	66,799	3,926	
632	Contractual Services - Accounting	19,366		
633	Contractual Services - Legal	45,695		
634	Contractual Services - Management Fees			
635	Contractual Services - Other	99,537	204	
641	Rental of Building/Real Property	6,502		
642	Rental of Equipment			
650	Transportation Expense	33,473	1,174	36
656	Insurance - Vehicle	8,485		
657	Insurance - General Liability	7,309		
658	Insurance - Workmens Compensation	6,298		
659	Insurance - Other			
660	Advertising Expense			
666	Regulatory Commission Expenses - Amortization of Rate Case Expense			
667	Regulatory Commission Expenses Other			
670	Bad Debt Expense	2,889		
675	Miscellaneous Expenses	22,342	100	
	Total Water Utility Expenses	\$ 1,149,233	\$ 244,924	\$ 1,322

WATER EXPENSE ACCOUNT MATRIX

.3 WATER TREATMENT EXPENSES - OPERATIONS (f)	.4 WATER TREATMENT EXPENSES - MAINTENANCE (g)	.5 TRANSMISSION & DISTRIBUTION EXPENSES - OPERATIONS (h)	.6 TRANSMISSION & DISTRIBUTION EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ 16,734	\$ 29,086	\$ 34,591	\$ 85,488	\$ 48,164	\$ 27,492
					90,642
					79,028
					1,370
88,975		32	65,989	13,146	7,251
463	1,281	34,606			19,366
28,267					45,695
24,494	2,659	6,008	15,934	32,582	17,656
					6,502
2,624	94	870	23,336		5,339
					8,485
					7,309
					6,298
				2,889	22,057
185					
\$ 161,742	\$ 33,120	\$ 76,107	\$ 190,747	\$ 96,781	\$ 344,490

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

YEAR OF REPORT
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ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue _____			\$ _____
	Metered Water Revenue:			
461.1	Metered Sales to Residential Customers _____	7,871	8,293	1,364,162
461.2	Metered Sales to Commercial Customers _____	161	164	106,578
461.3	Metered Sales to Industrial Customers _____			
461.4	Metered Sales to Public Authorities _____			
461.5	Metered Sales to Multiple Family Dwellings _____			
	Total Metered Sales _____	8,032	8,457	1,470,740
	Fire Protection Revenue:			
462.1	Public Fire Protection _____			
462.2	Private Fire Protection _____			
	Total Fire Protection Revenue _____			
464	Other Sales to Public Authorities _____			
465	Sales to Irrigation Customers _____			
466	Sales for Resale _____			
467	Interdepartmental Sales _____			
	Totals _____	8,032	8,457	\$ 1,470,740
	Other Water Revenues:			
469	Guaranteed Revenues _____			\$ _____
470	Forfeited Discounts _____			
471	Miscellaneous Service Revenues _____			7,670
472	Rents From Water Property _____			
473	Interdepartmental Rents _____			
474	Other Water Revenues _____			
	Total Other Water Revenues _____			\$ 7,670
	Total Water Operating Revenues _____			\$ 1,478,410

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

YEAR OF REPORT
 December 31, 1997

WATER SYSTEM INFORMATION

SOURCE OF SUPPLY

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

WATER TREATMENT FACILITIES

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

RESERVOIRS

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

UTILITY NAME Aloha Utilities, Inc.

SYSTEM NAME: Seven Springs

YEAR OF REPORT
December 31, 1997

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January	44,705	28,991	506	73,190	65,634
February	48,181	23,731	243	71,669	69,324
March	55,031	28,539	481	83,089	71,167
April	44,068	28,439	574	71,933	71,530
May	54,510	30,483	325	84,668	70,441
June	48,228	36,880	454	84,654	76,935
July	50,199	26,071	758	75,512	73,299
August	51,628	28,034	1,055	78,607	65,672
September	60,811	32,407	751	92,467	86,655
October	55,478	26,323	613	81,188	78,646
November	47,033	24,270	548	70,755	69,611
December	39,033	18,910	550	57,393	58,208
Total for year	598,905	333,078	6,858	925,125	857,122

If water is purchased for resale, indicate the following:

Vendor Jack Mitchell, Interphase, Inc, Tahitian Development, Pasco County

Point of delivery New Port Richey

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

N/A

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

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

Present ERC's * that system can efficiently serve. 6,709
Estimated annual increase in ERC's * . 350
List fire fighting facilities and capacities. Standby high service pumps at storage tank, .5mgd tank, 3200 gpm

List percent of certificate area where service connection are installed (total for each county). Pasco County; 50%

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

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

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

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

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

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

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

YEAR OF REPORT
 December 31, 1997

CALCULATON OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS		TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
			START OF YEAR (d)	END OF YEAR (e)	
5/8"	D	1.0	8,020	8,383	8,383
3/4"	D	1.5			
1"	D	2.5	33	33	83
1 1/2"	D,T	5.0	12	14	70
2"	D,C,T	8.0	21	22	176
3"	D	15.0	1		
3"	C	16.0		1	16
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5	3	3	188
8"	C	80.0			
8"	T	90.0		1	90
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			8,090	8,457	9,006

CALCULATION OF THE WATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

(857,122,000 / 365 days) / 350 gpd =
 (total gallons sold)

6,709

WASTEWATER OPERATION SECTION

Wastewater Listing of System Groups

List below the name of each reporting system and its certificate number. Those systems which have been consolidated under the same tariff should be assigned the same group number. The wastewater financial schedules (S-1 through S-10) should be filed for the group in total. The wastewater engineering schedules (S-11 through S-14) must be filed for each system in the group. All wastewater pages should be arranged by group number. An example of system grouping follows:

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

System Name	Cert. No.	Group Number
Aloha Gardens	097	1
Seven Springs	097	2

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

YEAR OF REPORT
 December 31, 1997

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service _____	S-3	\$ 1,363,699
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	S-8	754,279
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	S-4	324,586
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ 284,834
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	S-5	161,516
	Subtotal _____		\$ 446,350
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	S-9	160,530
	Other (Specify): _____ _____ _____		
	RATE BASE _____		\$ 606,880
	UTILITY OPERATING INCOME _____		\$ 83,568
	ACHIEVED RATE OF RETURN _____		13.77 %

NOTES:

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

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

YEAR OF REPORT
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WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	Operating Revenues _____	S-10	\$ 988,602
401	Operating Expenses _____	S-9	739,736
403	Depreciation Expense _____	S-8/S-5	28,943
406	Amortization of Utility Plant Acquisition Adjustment _____		
407	Amortization Expense _____		29,260
408.1	Taxes Other Than Income _____	F-16	107,269
409.1	Income Taxes _____	F-16	
410.10	Deferred Federal Income Taxes _____		(148)
410.11	Deferred State Income Taxes _____		(26)
411.10	Provision for Deferred Income Taxes - Credit _____		
412.10	Investment Tax Credits Deferred to Future Periods _____		
412.11	Investment Tax Credits Restored to Operating Income _____		
	Utility Operating Expenses _____		905,034
	Utility Operating Income _____		83,568
413	Income From Utility Plant Leased to Others _____		
414	Gains (Losses) From Disposition of Utility Property _____		
	Total Utility Operating Income _____		83,568

UTILITY NAME: Aloha Utilities, Inc.

SYSTEM NAME: Aloha Gardens

YEAR OF REPORT
December 31, 1997

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization _____	\$ _____	\$ _____	\$ _____
352	Franchises _____			
353	Land and Land Rights _____	53,061		
354	Structure and Improvements _____	83,222		
360	Collection Sewers - Force _____	43,197		
361	Collection Sewers - Gravity _____	926,866		
362	Special Collecting Structures _____			
363	Services to Customers _____			
364	Flow Measuring Devices _____			
365	Flow Measuring Installations _____			
370	Receiving Wells _____			
371	Pumping Equipment _____	127,698	1,567	
380	Treatment & Disposal Equipment _____			
381	Plant Sewers _____	16,482		
382	Outfall Sewer Lines _____	1,325		
389	Other Plant and Miscellaneous Equipment _____			
390	Office Furniture & Equipment _____	18,172	759	
391	Transportation Equipment _____	70,593		
392	Stores Equipment _____			
393	Tools, Shop and Garage Equipment _____	1,118		
394	Laboratory Equipment _____	2,815		
395	Power Operated Equipment _____	11,088		
396	Communication Equipment _____	5,736		
397	Miscellaneous Equipment _____			
398	Other Tangible Plant _____			
	Total Wastewater Plant _____	\$ 1,361,373	\$ 2,326	\$ _____
102	Utility Plant Leased to Others _____			
103	Property Held for Future Use _____			
104	Utility Plant Purchased or Sold _____			
105	Construction Work in Progress _____			
106	Completed Construction Not Classified _____			
	Total Utility Plant _____	\$ 1,361,373	\$ 2,326	\$ _____

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

WASTEWATER UTILITY PLANT MATRIX					
CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 GENERAL PLANT (k)
\$	\$				
53,061			8,061	45,000	
83,222		63,644	548	18,465	565
43,197		43,197			
926,866		926,866			
129,265			129,265		
16,482				16,482	
1,325				1,325	
18,931					18,931
70,593					70,593
1,118					1,118
2,815					2,815
11,088					11,088
5,736					5,736
\$ 1,363,699	\$	\$ 1,033,707	\$ 137,874	\$ 81,272	\$ 110,846
\$ 1,363,699	\$ 0	\$ 1,033,707	\$ 137,874	\$ 81,272	\$ 110,846

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

YEAR OF REPORT
December 31, 1997

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

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

Explain all Debits charged to Account 271 below:

YEAR OF REPORT
December 31, 1997

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

Page 8

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

YEAR OF REPORT
 December 31, 1997

BASIS FOR WASTEWATER DEPRECIATION CHARGES

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

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

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

YEAR OF REPORT
December 31, 1997

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises _____				
354	Structure and Improvements _____	21,344	2,600		2,600
360	Collection Sewers - Force _____	6,355	1,440		1,440
361	Collection Sewers - Gravity _____	516,623	23,171		23,171
362	Special Collecting Structures _____				
363	Services to Customers _____				
364	Flow Measuring Devices _____				
365	Flow Measuring Installations _____				
370	Receiving Wells _____				
371	Pumping Equipment _____	73,992	5,712	697 (1)	6,409
380	Treatment & Disposal Equipment _____				
381	Plant Sewers _____	9,628	471		471
382	Outfall Sewer Lines _____	199	44		44
389	Other Plant and Miscellaneous Equipment _____				
390	Office Furniture & Equipment _____	8,347	1,235	1 (1)	1,236
391	Transportation Equipment _____	62,628	1,986	1 (1)	1,987
392	Stores Equipment _____				
393	Tools, Shop and Garage Equipment _____	175	70		70
394	Laboratory Equipment _____	2,127	187		187
395	Power Operated Equipment _____	10,344	477		477
396	Communication Equipment _____	3,851	574		574
397	Miscellaneous Equipment _____				
398	Other Tangible Plant _____				
	Total Depreciable Wastewater Plant In Service _____	\$ 715,613	\$ 37,967	\$ 699	\$ 38,666

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

Note (1): To record accumulated depreciation from date of acquisition for assets expensed in prior years in error

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

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
\$	\$	\$	\$	\$	
					23,944
					7,795
					539,794
					80,401
					10,099
					243
					9,583
					64,615
					245
					2,314
					10,821
					4,425
\$	\$	\$	\$	\$	754,279

UTILITY NAME: Aloha Utilities, Inc.

SYSTEM NAME: Aloha Gardens

YEAR OF REPORT
December 31, 1997

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees _____	\$ 55,756	\$ 1,569	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders _____	33,368		
704	Employee Pensions and Benefits _____	25,580		
710	Purchased Sewage Treatment _____	521,877		
711	Sludge Removal Expense _____			
715	Purchased Power _____	19,569		
716	Fuel for Power Purchased _____			
718	Chemicals _____			
720	Materials and Supplies _____	8,256		55
731	Contractual Services - Engineering _____	213		
732	Contractual Services - Accounting _____	7,300		
733	Contractual Services - Legal _____	3,856		
734	Contractual Services - Management Fees _____			
735	Contractual Services - Other _____	40,262	85	1,013
741	Rental of Building/Real Property _____	2,783		
742	Rental of Equipment _____			
750	Transportation Expense _____	1,862		
756	Insurance - Vehicle _____	3,300		
757	Insurance - General Liability _____	2,842		
758	Insurance - Workmens Compensation _____	2,170		
759	Insurance - Other _____			
760	Advertising Expense _____			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense _____			
767	Regulatory Commission Expenses Other _____			
770	Bad Debt Expense _____	2,366		
775	Miscellaneous Expenses _____	8,376		
	Total Wastewater Utility Expenses _____	\$ 739,736	\$ 1,654	\$ 1,068

WASTEWATER EXPENSE ACCOUNT MATRIX

.3	.4	.5	.6	.7	.8
PUMPING EXPENSES - OPERATIONS (f)	PUMPING EXPENSES - MAINTENANCE (g)	TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)	CUSTOMER ACCOUNTS EXPENSE (j)	ADMINISTRATIVE & GENERAL EXPENSES (k)
\$ 3,955	\$ 12,648	\$	\$ 16,005	\$ 11,458	\$ 10,121
					33,368
					25,580
		521,877			
10,090		8,946			533
150			468	4,983	2,600
213					7,300
					3,856
6,662	8,671	885	4,099	10,953	7,894
					2,783
					1,178
	337	223	124		3,300
					2,842
					2,170
				2,366	
					8,376
\$ 21,070	\$ 21,656	\$ 531,931	\$ 20,696	\$ 29,760	\$ 111,901

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

YEAR OF REPORT
 December 31, 1997

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			\$
521.1	Residential Revenues _____			
521.2	Commercial Revenues _____			
521.3	Industrial Revenues _____			
521.4	Revenues From Public Authorities _____			
521.6	Other Revenues _____			
	Total Flat Rate Revenues _____			
	Measured Revenues:			
522.1	Residential Revenues _____	2,796	2,789	819,366
522.2	Commercial Revenues _____	39	39	159,531
522.3	Industrial Revenues _____			
522.4	Revenues From Public Authorities _____			
522.5	Multiple Family Dwelling Revenues _____			
	Total Measured Revenues _____	2,835	2,828	978,897
523	Revenues From Public Authorities _____			
524	Revenues From Other Systems _____			
525	Interdepartmental Revenues _____			
	Totals _____	2,835	2,828	978,897
	Other Wastewater Revenues:			
530	Guaranteed Revenues _____			
531	Sale Of Sludge _____			
532	Forfeited Discounts _____			
534	Rents From Wastewater Property _____			
535	Interdepartmental Rents _____			9,705
536	Other Wastewater Revenues _____			
	Total Other Wastewater Revenues _____			9,705
	Total Wastewater Operating Revenues _____			\$ 988,602

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

YEAR OF REPORT
 December 31, 1997

COLLECTING MAINS

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

FORCE MAINS

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

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

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

TREATMENT PLANT

Manufacturer _____	Purchased (1) _____	_____	_____
Type _____	_____	_____	_____
"Steel" or "Concrete" _____	_____	_____	_____
Total Capacity _____	_____	_____	_____
Average Daily Flow _____	441,222	_____	_____
Effluent Disposal _____	_____	_____	_____
Total Gallons of Sewage Purchased _____	161,046,000	_____	_____

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

OTHER WASTEWATER SYSTEM INFORMATION

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

- Maximum number of ERC's * which can be served. 1,604
- Estimated annual increase in ERC's * . None - System is built-out
- List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation. DO51-6485
- State any plans and estimated completion dates for any enlargements of this system. None
- If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
 - Evaluation of the present plant or plants in regard to meeting the DER's rules. N/A
 - Plans for funding and construction of the required upgrading.
 - Have these plans been coordinated with the DER? N/A
 - Do they concur? N/A
 - When will construction begin? _____
- In what percent of your certificated area have service connections been installed? 100 %

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

YEAR OF REPORT
December 31, 1997

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

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS START OF YEAR (d)	END OF YEAR (e)	TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
5/8"	D	1.0	2,355 (1)	2,348	2,348
3/4"	D	1.5			
1"	D	2.5	5	5	13
1 1/2"	D,T	5.0	3	3	15
2"	D,C,T	8.0	2	2	16
3"	D	15.0			
3"	C	16.0	3	3	48
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0	1	1	50
6"	T	62.5			
8"	C	80.0	2	2	160
8"	T	90.0			
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			2,371	2,364	2,650

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{161,046,000}{365 \text{ days}} \right) / 275 \text{ gpd} = \underline{1,604}$$

(total gallons purchased)

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

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

YEAR OF REPORT
 December 31, 1997

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service _____	S-3	\$ 13,695,224
	Less:		
	Nonused and Useful Plant (1) _____		
108.1	Accumulated Depreciation _____	S-8	2,796,372
110.1	Accumulated Amortization _____		
271	Contributions in Aid of Construction _____	S-4	8,776,204
252	Advances for Construction _____	F-18	
	Subtotal _____		\$ 2,122,648
	Additions:		
272	Accumulated Amortization of Contributions in Aid of Construction _____	S-5	2,157,988
	Subtotal _____		\$ 4,280,636
	Plus or Minus:		
114	Acquisition Adjustments (2) _____	F-5	
115	Accumulated Amortization of Acquisition Adjustments (2) _____	F-5	
	Working Capital Allowance (3) _____	S-9	270,788
	Other (Specify): _____ _____ _____		
	RATE BASE _____		\$ 4,551,424
	UTILITY OPERATING INCOME _____		\$ 397,737
	ACHIEVED RATE OF RETURN _____		8.74 %

NOTES:

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

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

YEAR OF REPORT
 December 31, 1997

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WASTEWATER UTILITY (d)
400	Operating Revenues -----	S-10	\$ 2,192,657
401	Operating Expenses -----	S-9	1,249,243
403	Depreciation Expense -----	S-8/S-5	178,412
406	Amortization of Utility Plant Acquisition Adjustment -----		
407	Amortization Expense -----		265,513
408.1	Taxes Other Than Income -----	F-16	
409.1	Income Taxes -----	F-16	106,493
410.10	Deferred Federal Income Taxes -----		19,930
410.11	Deferred State Income Taxes -----		
411.10	Provision for Deferred Income Taxes - Credit -----		(24,671)
412.10	Investment Tax Credits Deferred to Future Periods -----		
412.11	Investment Tax Credits Restored to Operating Income -----		
	Utility Operating Expenses -----		1,794,920
	Utility Operating Income -----		397,737
413	Income From Utility Plant Leased to Others -----		
414	Gains (Losses) From Disposition of Utility Property -----		
	Total Utility Operating Income -----		397,737

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

YEAR OF REPORT
 December 31, 1997

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization _____	\$ _____	\$ _____	\$ _____
352	Franchises _____		3,095	
353	Land and Land Rights _____	588,030		
354	Structure and Improvements _____	1,239,070	22,216	
360	Collection Sewers - Force _____	321,932	653,183	
361	Collection Sewers - Gravity _____	5,321,325	272,595	233,766
362	Special Collecting Structures _____			
363	Services to Customers _____		85,337	
364	Flow Measuring Devices _____	26,712		
365	Flow Measuring Installations _____			
370	Receiving Wells _____			
371	Pumping Equipment _____	442,689	144,136	
380	Treatment & Disposal Equipment _____	885,693	97,654	
381	Plant Sewers _____	354,310	(1)	
382	Outfall Sewer Lines _____	477,298	1,443	
389	Other Plant and Miscellaneous Equipment _____	2,214,868	495,434	
390	Office Furniture & Equipment _____	59,064	3,189	
391	Transportation Equipment _____	133,605		
392	Stores Equipment _____			
393	Tools, Shop and Garage Equipment _____	2,288	8,027	
394	Laboratory Equipment _____	3,882	165	
395	Power Operated Equipment _____	53,239		
396	Communication Equipment _____	18,512		
397	Miscellaneous Equipment _____			
398	Other Tangible Plant _____			
	Total Wastewater Plant _____	\$ 12,142,517	\$ 1,786,473	\$ 233,766
102	Utility Plant Leased to Others _____			
103	Property Held for Future Use _____			
104	Utility Plant Purchased or Sold _____			
105	Construction Work in Progress _____	412,691	(386,325)	
106	Completed Construction Not Classified _____			
	Total Utility Plant _____	\$ 12,555,208	\$ 1,400,148	\$ 233,766

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

WASTEWATER UTILITY PLANT MATRIX

	.1	.2	.3	.4	.5
CURRENT YEAR (f)	INTANGIBLE PLANT (g)	COLLECTION PLANT (h)	SYSTEM PUMPING PLANT (i)	TREATMENT AND DISPOSAL PLANT (j)	GENERAL PLANT (k)
\$	\$				
3,095	3,095				
588,030		252,500	10,580	324,950	
1,261,286		216,914	77,173	959,359	7,840
975,115		975,115			
5,360,154		5,360,154			
85,337		85,337			
26,712		26,712			
586,825			586,825		
983,347				983,347	
354,309				354,309	
478,741				478,741	
2,710,302		1,469		2,708,833	
62,253					62,253
133,605					133,605
10,315					10,315
4,047					4,047
53,239					53,239
18,512					18,512
\$ 13,695,224	\$ 3,095	\$ 6,918,201	\$ 674,578	\$ 5,809,539	\$ 289,811
26,366					
\$ 13,721,590	\$ 3,095	\$ 6,918,201	\$ 674,578	\$ 5,809,539	\$ 289,811

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

YEAR OF REPORT
December 31, 1997

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WASTEWATER (b)
Balance First of Year _____	\$ 8,000,926
Add credits during year:	
Contributions Received From Capacity, Main Extension and Customer Connection Charges (Schedule "A") _____	85,497
Contributions received from Developer or Contractor Contractor Agreements in cash or property (Schedule "B") _____	923,547
Total Credits _____	1,009,044
Less debits charged during the year (All debits charged during the year must be explained below) _____	233,766
Total Contributions In Aid of Construction _____	\$ 8,776,204

Explain all Debits charged to Account 271 below:

Retire contributed property - \$233,766

YEAR OF REPORT
December 31, 1997

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

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

YEAR OF REPORT
 December 31, 1997

BASIS FOR WASTEWATER DEPRECIATION CHARGES

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

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

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

YEAR OF REPORT
December 31, 1997

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
351	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises _____	_____	77	832 (1)	909
354	Structure and Improvements _____	493,799	38,102	838 (1)	38,940
360	Collection Sewers - Force _____	69,277	21,694	1,666 (1)	23,360
361	Collection Sewers - Gravity _____	1,338,095	129,676	_____	129,676
362	Special Collecting Structures _____	_____	_____	_____	_____
363	Services to Customers _____	_____	1,293	_____	1,293
364	Flow Measuring Devices _____	2,671	5,342	_____	5,342
365	Flow Measuring Installations _____	_____	_____	_____	_____
370	Receiving Wells _____	_____	_____	_____	_____
371	Pumping Equipment _____	96,801	25,876	843 (1)	26,719
380	Treatment & Disposal Equipment _____	78,685	61,092	29,337 (1)	90,429
381	Plant Sewers _____	6,079	10,123	1 (1)	10,124
382	Outfall Sewer Lines _____	275,248	15,958	525 (1)	16,483
389	Other Plant and Miscellaneous Equipment _____	61,778	136,473	8,087 (1)	144,560
390	Office Furniture & Equipment _____	39,218	2,186	(1)(1)	2,185
391	Transportation Equipment _____	92,850	11,847	(1)(1)	11,846
392	Stores Equipment _____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment _____	404	586	2,717 (1)	3,303
394	Laboratory Equipment _____	1,359	265	_____	265
395	Power Operated Equipment _____	19,556	3,991	(2)(1)	3,989
396	Communication Equipment _____	18,399	32	_____	32
397	Miscellaneous Equipment _____	_____	_____	_____	_____
398	Other Tangible Plant _____	_____	_____	_____	_____
	Total Depreciable Wastewater Plant In Service _____	\$ 2,594,219	\$ 464,613	\$ 44,842	\$ 509,455

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

Note (1): To record accumulated depreciation from date of acquisition for assets expensed in prior years in error

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

[illegible]

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

YEAR OF REPORT
 December 31, 1997

WASTEWATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees	\$ 128,098	\$ 4,157	\$ 48
703	Salaries and Wages - Officers, Directors and Majority Stockholders	88,400		
704	Employee Pensions and Benefits	72,786		
710	Purchased Sewage Treatment			
711	Sludge Removal Expense	318,953		
715	Purchased Power	112,615		
716	Fuel for Power Purchased			
718	Chemicals	16,866		
720	Materials and Supplies	39,226		580
731	Contractual Services - Engineering	40,414	6,038	
732	Contractual Services - Accounting	29,908		
733	Contractual Services - Legal	118,352		
734	Contractual Services - Management Fees			
735	Contractual Services - Other	137,942	603	4,899
741	Rental of Building/Real Property	6,502		
742	Rental of Equipment	273		
750	Transportation Expense	31,081		242
756	Insurance - Vehicle	8,485		
757	Insurance - General Liability	7,309		
758	Insurance - Workmens Compensation	4,985		
759	Insurance - Other			
760	Advertising Expense			
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	59,448		
767	Regulatory Commission Expenses Other			
770	Bad Debt Expense	2,700		
775	Miscellaneous Expenses	24,900		
	Total Wastewater Utility Expenses	\$ 1,249,243	\$ 10,798	\$ 5,769

WASTEWATER EXPENSE ACCOUNT MATRIX

.3	.4	.5	.6	.7	.8
PUMPING EXPENSES - OPERATIONS (f)	PUMPING EXPENSES - MAINTENANCE (g)	TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)	CUSTOMER ACCOUNTS EXPENSE (j)	ADMINISTRATIVE & GENERAL EXPENSES (k)
\$	\$ 19,039	\$ 36,323	\$ 11,364	\$ 30,355	\$ 26,812
					88,400
					72,786
		318,953			
		72,351			1,370
		16,866			
	2,202	884	14,227	12,835	7,227
1,271		31,434			
2,942					29,908
					118,352
13,806	14,676	30,102	23,487	28,270	22,099
					6,502
		103	170		
30	4,731	1,534	17,783		6,761
					8,485
					7,309
					4,985
					59,448
				2,700	
		76	171		24,653
\$ 56,943	\$ 40,648	\$ 508,626	\$ 67,202	\$ 74,160	\$ 485,097

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

YEAR OF REPORT
 December 31, 1997

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues _____			\$ _____
521.2	Commercial Revenues _____			_____
521.3	Industrial Revenues _____			_____
521.4	Revenues From Public Authorities _____			_____
521.6	Other Revenues _____			_____
	Total Flat Rate Revenues _____			_____
	Measured Revenues:			
522.1	Residential Revenues _____	7,735	8,080	1,995,753
522.2	Commercial Revenues _____	121	122	196,904
522.3	Industrial Revenues _____			_____
522.4	Revenues From Public Authorities _____			_____
522.5	Multiple Family Dwelling Revenues _____			_____
	Total Measured Revenues _____	7,856	8,202	2,192,657
523	Revenues From Public Authorities _____			_____
524	Revenues From Other Systems _____			_____
525	Interdepartmental Revenues _____			_____
	Totals _____	7,856	8,202	2,192,657
	Other Wastewater Revenues:			
530	Guaranteed Revenues _____			_____
531	Sale Of Sludge _____			_____
532	Forfeited Discounts _____			_____
534	Rents From Wastewater Property _____			_____
535	Interdepartmental Rents _____			_____
536	Other Wastewater Revenues _____			_____
	Total Other Wastewater Revenues _____			_____
	Total Wastewater Operating Revenues _____			\$ 2,192,657

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

YEAR OF REPORT
December 31, 1997

WASTEWATER SYSTEM INFORMATION

PUMPING EQUIPMENT

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

* INDICATE WHICH STATION IS THE MASTER LIFT STATION

SERVICE CONNECTIONS

[illegible]

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

YEAR OF REPORT
December 31, 1997

WASTEWATER SYSTEM INFORMATION

PUMPING EQUIPMENT

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

* INDICATE WHICH STATION IS THE MASTER LIFT STATION

SERVICE CONNECTIONS

[illegible]

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

YEAR OF REPORT
December 31, 1997

WASTEWATER SYSTEM INFORMATION

PUMPING EQUIPMENT

[illegible]

* INDICATE WHICH STATION IS THE MASTER LIFT STATION

SERVICE CONNECTIONS

[illegible]

S-11(c)

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

YEAR OF REPORT
 December 31, 1997

COLLECTING MAINS

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

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

FORCE MAINS

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

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

REUSE MAINS

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

YEAR OF REPORT
December 31, 1997

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

TREATMENT PLANT

Manufacturer _____	Marolf	_____	_____
Type _____	Extended Aeration	_____	_____
"Steel" or "Concrete" _____	Concrete	_____	_____
Total Capacity _____	1.2MGD	_____	_____
Average Daily Flow _____	1,056,132	_____	_____
Effluent Disposal _____	Reuse	_____	_____
Total Gallons of Sewage Treated _____	385,488,000	_____	_____

OTHER WASTEWATER SYSTEM INFORMATION

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

- Maximum number of ERC's * which can be served. 3,840
- Estimated annual increase in ERC's * . 350
- List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation. DO51-2571
- State any plans and estimated completion dates for any enlargements of this system. None
- If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
 - Evaluation of the present plant or plants in regard to meeting the DER's rules. N/A
 - Plans for funding and construction of the required upgrading.
 - Have these plans been coordinated with the DER? N/A
 - Do they concur? N/A
 - When will construction begin? _____
- In what percent of your certificated area have service connections been installed? 47 %

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

YEAR OF REPORT
December 31, 1997

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

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS START OF YEAR (d)	NUMBER OF METERS END OF YEAR (e)	TOTAL NUMBER OF METER EQUIVALENTS (c x e) (f)
5/8"	D	1.0	7,810	8,154	8,154
3/4"	D	1.5			
1"	D	2.5	21	21	53
1 1/2"	D,T	5.0	8	8	40
2"	D,C,T	8.0	13	14	112
3"	D	15.0			
3"	C	16.0	1	1	16
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0	3	3	150
6"	T	62.5			
8"	C	80.0		1	80
8"	T	90.0			
10"	C	115.0			
10"	T	145.0			
12"	T	215.0			
			7,856	8,202	8,605

CALCULATION OF THE WASTEWATER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{385,488,000}{\text{(total gallons treated)}} / 365 \text{ days} \right) / 275 \text{ gpd} = \underline{3,840}$$