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February 23, 2007

BY HAND

Joel H. Peck, Clerk
Document Control Center
State Corporation Commission
1300 East Main Street
Tyler Building, 1st Floor
Richmond, VA 23219

810018
7001

**Joint Petition of Lake Holiday Estates Utility Company, Inc.,
Lake Holiday Country Club, Inc. and Aqua Lake Holiday Utilities, Inc.
Case No. PUE-2006-00013**

Dear Mr. Peck:

On February 15, 2007, the Joint Petitioners filed their Report of Action in this proceeding. As noted in the Report of Action, the accounting entries related to the transaction were still being prepared. The accounting entries have been completed and are included with the enclosed Supplement to the Report of Action.

Sincerely yours,


Donald G. Owens

1590811v2

Enclosure

cc: Don R. Mueller, Esq. (by hand)
Robert C. Dalton (by hand)
Marc A. Tufaro (by hand)

**Joint Petition of Lake Holiday Estates Utility Company, Inc.,
Lake Holiday Country Club, Inc. and Aqua Lake Holiday Utilities, Inc.
Case No. PUE-2006-00013**

Supplement to the Report of Action

On February 15, 2007, the Report of Action required by the Final Order of November 27, 2006 entered in this proceeding was filed with the Office of the Clerk of the Commission. The Report of Action noted that the accounting entries were being prepared and that a supplement would be filed as soon as the entries had been completed. The accounting entries have been finalized and attached to this Supplement to the Report of Action. With this Supplement, all of the items of information required by the Final Order have now been submitted.

1590817

Aqua - Lake Holiday: Journal Entries

<u>AU</u>	<u>GL</u>	<u>DESCRIPTION</u>	<u>DEBIT AMOUNT</u>	<u>CREDIT AMOUNT</u>	<u>Notes</u>
6740	300000	Utility Plant in Service Water	2,889,380.16		1
6740	272000	Accumulated Amortization of CIAC Water	79,380.95		2
6740	108000	Accumulated Depreciation Water		626,376.50	3
6740	271150	CIAC Water		1,736,664.59	4
6740	235020	Customer Deposits - Security		94,521.18	5
6740	241001	Moratorium Credit Water (Accrued Liab Other)		68,329.35	6
6740	104000	CASH		249,077.01	7
6740	241001	Escrow amount / Ogunquit vs Lake Holiday Utility		25,000.00	25
6740	114000	Acquisition Adjustment Water		168,792.48	8
6740	300000	Utility Plant in Service Water	2,466.18		9
6740	104000	CASH		2,466.18	
			<u>2,971,227.29</u>	<u>2,971,227.29</u>	

Record acquisition of Lake Holiday Water.
 This entry does not include contingency payments to Lake Holiday
 Payment timeline runs 1/01/07 through 01/01/22 or 15 years and equal up to \$76,000 a year.
 see rate order CASE NO. PUE-2006-00013 page 2, and page 14 #11



<u>AU</u>	<u>GL</u>	<u>DESCRIPTION</u>	<u>DEBIT AMOUNT</u>	<u>CREDIT AMOUNT</u>	<u>Notes</u>
6404	300000	Utility Plant in Service Wastewater	4,763,951.17		10
6404	272000	Accumulated Amortization of CIAC Wastewater	82,837.94		11
6404	108000	Accumulated Depreciation Wastewater		1,408,462.27	12
6404	271150	CIAC Wastewater		1,595,464.37	13
6404	235020	Customer Deposits - Security		114,880.36	14
6404	241001	Moratorium Credit Wastewater (Accrued Liab Other)		68,329.35	15
6740	104000	CASH		914,512.29	16
6404	241001	Escrow amount / Ogunquit vs Lake Holiday Utility		25,000.00	26
6404	114000	Acquisition Adjustment Wastewater		720,140.47	17
6404	300000	Utility Plant in Service Water	2,466.18		18
6740	104000	CASH		2,466.18	
			<u>4,849,255.29</u>	<u>4,849,255.29</u>	

Record acquisition of Lake Holiday Wastewater.
 This entry does not include contingency payments to Lake Holiday
 Payment timeline runs 1/01/07 through 01/01/22 or 15 years and equal up to \$76,000 a year.
 see rate order CASE NO. PUE-2006-00013 page 2, and page 14 #11



Future Tap Fee Entries

<u>AU</u>	<u>GL</u>	<u>DESCRIPTION</u>	<u>DEBIT AMOUNT</u>	<u>CREDIT AMOUNT</u>	<u>Notes</u>
6740	131200	CASH	5,000.00		
6740	271150	CIAC	-	4,457.14	
6740	241001	Due to Lake Holiday Contingent payment	-	542.86	27
				-	
			<u>5,000.00</u>	<u>5,000.00</u>	

To record Tap Fee receipts water.
 Due to LH Contingent payment based on the following connections: years 1-8 70 connections per year,
 years 9-15 30 connections per year. Total payment per year not to exceed \$38,000.



<u>AU</u>	<u>GL</u>	<u>DESCRIPTION</u>	<u>DEBIT AMOUNT</u>	<u>CREDIT AMOUNT</u>	<u>Notes</u>
6404	131200	CASH	7,000.00		
6404	271150	CIAC	-	6,457.14	
6404	241001	Due to Lake Holiday Contingent payment	-	542.86	27
				-	
			<u>7,000.00</u>	<u>7,000.00</u>	

To record Tap Fee receipts wastewater, Due to LH Contingent payment based on 70 homes a year conr
 Once 70 homes connect LH eligible for payment in the amount of \$38,000