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February 20, 1997

BY HAND DELIVERY

Marshall Willis
Division of Water and Wastewater
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Lake Utility Services, Inc.
Docket No. 960444-WU

Dear Marshall:

As requested by the staff in our conference call on January 14, 1997, enclosed are (a) updated schedules of rate base, including used and useful calculations, for the six physically interconnected systems, and (b) updated calculations of uniform service availability charges.

We understand that the staff intends to make its recommendation to the Commission for consideration at the April 1, 1997 agenda. If you have any questions about the enclosures, please call me at (904) 222-7500 or Mark Kramer at (847) 498-6440.

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Very truly yours,

Richard D. Melson

RDM/mee
Enclosures
cc: Ms. Bayó (for docket file)
Mr. Vaccaro
Mr. Munroe
Mr. Kramer
Mr. Rasmussen

Lake Utility Services, Inc.
Docket No. 960444-WU
Commission Staff Data Request
February 7, 1997

The Commission Staff requested an updated calculation of rate base and service availability charges.

Attached are worksheets detailing the **average year ended 12/31/95** rate base and related accounts. As requested by Staff, these worksheets are broken out into six physically interconnected systems within Lake Utility Systems, Inc. (LUSI). The interconnected systems are as follows:

- Clermont I, Amber Hill, Lake Ridge Club
- Clermont II
- South Clermont Region, Preston Cove, Crescent Bay, Crescent West, Highland Point, Lake Crescent Hills
- Oranges, Vista
- Four Lakes
- Lake Saunders

Additionally the Staff requested additional information regarding the calculation of Service Availability Charges. Attached are worksheets that incorporate Staff's findings.

The following explanations denote the supporting schedules or source of amounts used in the enclosed schedules. Theoretical justification is provided where necessary.

Rate Base

Utility Plant in Service

Utility Plant in Service is broken out by subdivision on the books of LUSI. The Commission Staff has audited these books and the attached schedules incorporate their recommended adjustments.

A dispersion of accounts and related dollar amounts was provided to Commission Staff Accountant Orrett Douse in the course of Staff's field audit. Mr. Douse incorporated the Staff's recommended adjustments to create a workpaper that details all LUSI plant. Staff Audit Report Exception Number Three is supported by Mr. Douse's workpaper.

The separation of transmission mains between those within individual systems and those interconnecting systems was based on three factors: (1) Staff's analysis of rate base (2) Company invoices (3) Company Vice President of Operations Don Rasmussen's personal knowledge of the system.

Common Tools, WSC Rate Base, Utility Land & Land Rights

The account totals included in the accompanying updated statement of rate base were based on the Commission Staff's Audit Report Exceptions. Common Tools and WSC Rate Base were allocated among individual subdivisions based customer equivalents. Using customer equivalents is a reasonable method of allocating these accounts amongst subdivisions.

Utility Land & Land Rights in the updated statement of rate base is based on Commission Staff's Audit Exception Number Two. The audit exception includes a schedule of Staff's findings that was mirrored in the attached schedules.

Non-Used & Useful Plant

Following discussions with Commission Staff, the company has prepared used and useful calculations for each of the physically interconnected systems. The calculation and application of rates is based on conversations with Commission Staff Engineer Lee Monroe.

A revised Minimum Filing Requirement Schedule F-5 is attached and the changes are reflected in the updated Rate Base Statement and Service Availability Charges. Four individual systems' plant capacity was reported incorrectly in the original filing. Enclosed is a schedule of Department of Environment Protection approved plant capacities. Also enclosed is appropriate documentation from the DEP for those systems that an erroneous capacity was included in the original filing.

Per discussions with Commission Staff the following accounts are considered 100% used and useful: Organization; Structures & Improvements; Distribution Reservoirs; Transmission Mains interconnecting systems; Services; Meters; Hydrants and Tools.

The cost of transmission mains between systems totals $512,775 for LUSI. Primarily all of these mains were contributed, including $460,000 from the State of Florida to extend mains to EDB affected customers.

The combined total of all other accounts considered 100% used and useful is $285,495.

Per discussions with Commission Staff the following accounts are subject to a used and useful calculation based on capacity and use of a given interconnected system. Attached is an updated Schedule F-5 which calculates this used and useful percentage. Those accounts are: Wells & Springs; Pumping Equipment; Water Treatment Equipment. The combined gross amount subject to this used and useful calculation is $368,910.

The used and useful percentage of transmission mains within a given system is calculated by dividing the number of lots served in a system by the potential number that can be served on the existing mains. Maps have been supplied previously to support the number of lots served at 12/31/95 and the potential number of lots served at build out. The total cost of transmission mains within systems, subject to this used and useful calculation is $641,609.

Accumulated Depreciation

Accumulated depreciation is based on the Commission Staff's audit workpapers. The attached schedule incorporates Staff's Audit Exception Number Four. Due to the fact that the company calculates depreciation using a composite rate, no system specific identification is available. Accumulated depreciation is allocated amongst the subdivisions based on gross plant. The company acknowledges that this may create some immaterial differences in individual subdivisions. However, taken as whole, these differences is eliminated.

Contributions in Aid of Construction/ Accumulated Amortization of CIAC/ Advances for Construction

Commission Staff Accountant Charles Winston prepared a schedule of CIAC, Accumulated Amortization of CIAC and Advances based on the company's schedules, books & records, and developer agreements. His analysis was the backbone for Staff Audit Exception Number Twelve. His analysis, including Staff recommended adjustments, is incorporated in the accompanying financial schedules.

Acquisition Adjustments & Amortization of Acquisition Adjustments

Based on discussions with Commission Staff Accountant Douse during the Staff's field audit and thereafter, the company's acquisition adjustment should be removed from the books. In response to Staff Data Request Number 13, the company stated that it had not received Commission approval for the acquisition adjustment. The company does not anticipate seeking approval of this adjustment in the future. Consequently, the accompanying statement of rate base eliminates the acquisition adjustment and corresponded accumulated amortization.

Accumulated Deferred Income Taxes

Accumulated deferred income taxes are calculated based on the books and records of the company. ADIT was allocated based on gross plant between subdivisions. Similar to accumulated depreciation, some variances may occur in the allocation process, but these will be immaterial.

Working Capital Allowance

Working capital in the accompanying worksheets is identical to that in the original filing, and based on the financial statements filed in the Minimum Filing Requirements.

Service Availability Charges

Attached are updated Service Availability Charges schedules SAC-1, SAC-2, and SAC-3. The schedules are updated for all changes made in the aforementioned rate base statement.

The only significant change in the SAC schedules is the exclusion of $460,000 received from the State of Florida in the calculation. The State requested, and the company agreed, to extend mains to citizens whom had EDB contaminants in their private wells. Acceptance of money to do so was necessary to complete the project that the company did not anticipate undertaking in the foreseeable future.

Consequently, the decision to extend these mains should not hamper the company's ability to calculate a reasonable service availability charge based on the investment and contributions to serve customers within the company's service territory. Therefore, the grant was removed from plant and CIAC in order to calculate a reasonable SAC.

Lake Utility Services, Inc.
Schedule of Rate Base
Average Test Year Ended 12/31/95

Lake Utility Services, Inc.
Average TYE 12/31/95

	TOTAL LUSI ATYE 12/31/95
Utility Plant in Service	
Organization	15,776
Struct & Improv	43,691
Wells & Springs	166,936
Pumping Equip	102,261
Wtr Treatment Equip	99,713
Distrib Reservoir	76,616
Trans Mains (Within Systems)	641,609
Trans Mains (B/n Systems)	512,775
Services	94,317
Meters & Installation	21,683
Hydrants	32,397
Tools, Shop	1,015
Total Utility Plant in Service	1,808,786
Common Tools	6,474
Water Service Corp Rate Base	22,114
Utility Land & Land Rights	4,086
Less: Non-Used & Useful Plant	(65,590)
Construction Work in Progress	-
Less: Accumulated Depreciation	(184,457)
Less: CIAC	
CIAC - Cash	(1,037,803)
CIAC - Donated Property	(11,850)
Total CIAC	(1,049,653)
Accumulated Amortization of CIAC	121,233
Acquisition Adjustments	-
Acc. Amort. of Acquisition Adjustments	-
Advances for Construction	(405,520)
Accumulated Deferred Income Taxes	116,542
Working Capital Allowance	27,828
Total Rate Base	401,843

Lake Utility Services, Inc.
Schedule of Rate Base
Average Test Year Ended 12/31/95

Clermont I, Amber Hill, Lake Ridge Club
Average TYE 12/31/95

	Clermont I ATYE 12/31/95	Amber Hill ATYE 12/31/95	Lake Ridge Club ATYE 12/31/95	Total ATYE 12/31/95
Utility Plant in Service				
Organization	2,560	-	700	3,260
Struct & Improv	8,223	2,040	1,459	11,722
Wells & Springs	11,729	25,990	16,227	53,946
Pumping Equip	7,896	21,989	3,298	33,182
Wtr Treatment Equip	6,019	9,492	7,905	23,416
Distrib Reservoir	7,957	-	11,410	19,367
Trans Mains (Within Systems)	55,271	39,601	16,557	111,429
Trans Mains (B/n Systems)	10,827	1,097	-	11,924
Services	12,042	4,854	3,233	20,128
Meters & Installation	2,526	-	-	2,526
Hydrants	1,848	850	478	3,176
Tools, Shop	223	-	-	223
Total Utility Plant in Service	127,121	105,913	61,266	294,300
Common Tools	1,200	308	517	2,025
Water Service Corp Rate Base	4,098	1,053	1,765	6,916
Utility Land & Land Rights	257	100	100	457
Less: Non-Used & Useful Plant	-	-	-	(8,925)
Construction Work in Progress	-	-	-	-
Less: Accumulated Depreciation	(13,015)	(10,791)	(6,316)	(30,122)
Less: CIAC				
CIAC - Cash	(61,488)	(79,114)	(19,300)	(159,902)
CIAC - Donated Property	(11,850)	-	-	(11,850)
Total CIAC	(73,338)	(79,114)	(19,300)	(171,752)
Accumulated Amortization of CIAC	35,256	17,404	965	53,625
Acquisition Adjustments	-	-	-	-
Acc. Amort. of Acquisition Adjustments	-	-	-	-
Advances for Construction	(3,520)	-	(61,600)	(65,120)
Positive Acc. Deferred Income Taxes	(1,596)	(1,330)	(769)	(3,695)
Working Capital Allowance	1,956	1,629	943	4,528
Total Rate Base	78,420	35,172	(22,431)	82,236

Lake Utility Services, Inc.
Schedule of Rate Base
Average Test Year Ended 12/31/95

Clermont II
Average TYE 12/31/95

	Clermont II ATYE 12/31/95
Utility Plant in Service	
Organization	837
Struct & Improv	2,688
Wells & Springs	3,835
Pumping Equip	2,581
Wtr Treatment Equip	1,968
Distrib Reservoir	2,601
Trans Mains (Within Systems)	18,070
Trans Mains (B/n Systems)	-
Services	3,937
Meters & Installation	826
Hydrants	604
Tools, Shop	73
Total Utility Plant in Service	38,019
Common Tools	-
Water Service Corp Rate Base	-
Utility Land & Land Rights	100
Less: Non-Used & Useful Plant	(6,133)
Construction Work in Progress	-
Less: Accumulated Depreciation	(3,847)
Less: CIAC	
CIAC - Cash	-
CIAC - Donated Property	-
Total CIAC	
Accumulated Amortization of CIAC	-
Acquisition Adjustments	-
Acc. Amort. of Acquisition Adjustments	-
Advances for Construction	-
Positive Acc. Deferred Income Taxes	(477)
Working Capital Allowance	585
Total Rate Base	28,247

Lake Utility Services, Inc.
Schedule of Rate Base
Average Test Year Ended 12/31/95

South Clermont Region, Preston Cove, Crescent Bay, Crescent West, Highland Point, Lake Crescent Hills Rate Base

Average TYE 12/31/95

	South Clermont Region ATYE 12/31/95	Preston Cove ATYE 12/31/95	Crescent Bay ATYE 12/31/95	Crescent West ATYE 12/31/95	Highland Point ATYE 12/31/95	Lake Crescent Hills ATYE 12/31/95	Total ATYE 12/31/95
Utility Plant in Service							
Organization	-	-	2,005	350	2,205	237	4,797
Struct & Improv	-	-	21,905	3,655	1,255	553	27,368
Wells & Springs	-	-	23,877	13,120	14,162	15,417	66,576
Pumping Equip	-	-	14,184	7,681	8,768	3,960	34,592
Wtr Treatment Equip	-	-	28,024	19,455	8,870	11,429	67,777
Distrib Reservoir	-	-	9,869	15,215	10,291	722	36,096
Trans Mains (Within Systems)	-	-	134,559	41,194	34,914	134,729	345,396
Trans Mains (B/n Systems)	54,064	-	265,425	174,259	1,658	-	495,405
Services	10,814	2,832	25,631	12,320	1,398	4,464	57,459
Meters & Installation	-	13,233	578	990	2,156	236	17,191
Hydrants	-	-	15,567	13,050	-	-	28,617
Tools, Shop	-	719	-	-	-	-	719
Total Utility Plant in Service	64,878	16,783	541,621	301,288	85,676	171,746	1,181,991
Common Tools	1,108	325	225	375	250	600	2,883
Water Service Corp Rate Base	3,785	1,110	768	1,281	854	2,049	9,847
Utility Land & Land Rights	-	-	200	100	1,000	100	1,400
Less: Non-Used & Useful Plant	-	-	-	-	-	-	(18,382)
Construction Work in Progress	-	-	-	-	-	-	-
Less: Accumulated Depreciation	(6,688)	(1,702)	(55,096)	(30,748)	(8,766)	(17,422)	(120,422)
Less: CIAC							
CIAC - Cash	(455,157)	(46,816)	(55,815)	(92,670)	(61,500)	(25,675)	(737,633)
CIAC - Donated Property							-
Total CIAC	(455,157)	(46,816)	(55,815)	(92,670)	(61,500)	(25,675)	(737,633)
Accumulated Amortization of CIAC	9,987	927	5,944	12,317	13,081	1,290	43,545
Acquisition Adjustments	-	-	-	-	-	-	-
Acc. Amort. of Acquisition Adjustments	-	-	-	-	-	-	-
Advances for Construction	(156,650)	-	(121,050)	-	(11,750)	-	(289,450)
Positive Acc. Deferred Income Taxes	68,425	18,604	(6,800)	15,842	(1,076)	15,493	110,488
Working Capital Allowance	998	258	8,333	4,635	1,318	2,642	18,185
Total Rate Base	(469,315)	(10,510)	318,330	212,419	19,087	150,822	202,451

Lake Utility Services, Inc.
Schedule of Rate Base
Average Test Year Ended 12/31/95

Oranges, Vista
Average TYE 12/31/95

	Oranges ATYE 12/31/95	Vista ATYE 12/31/95	Total ATYE 12/31/95
Utility Plant in Service			
Organization	-	-	-
Struct & Improv	1,171	370	1,541
Wells & Springs	11,153	3,182	14,335
Pumping Equip	4,487	7,508	11,995
Wtr Treatment Equip	410	1,338	1,748
Distrib Reservoir	274	4,294	4,568
Trans Mains (Within Systems)	32,873	83,850	116,723
Trans Mains (B/n Systems)	4,802	644	5,446
Services	3,542	1,530	5,072
Meters & Installation	-	-	-
Hydrants	-	-	-
Tools, Shop	-	-	-
Total Utility Plant in Service	58,711	102,716	161,427
Common Tools	633	225	858
Water Service Corp Rate Base	2,163	768	2,931
Utility Land & Land Rights	1,000	100	1,100
Less: Non-Used & Useful Plant	-	-	(12,619)
Construction Work in Progress	-	-	-
Less: Accumulated Depreciation	(6,013)	(10,413)	(16,426)
Less: CIAC			
CIAC - Cash	(37,100)	(32,025)	(69,125)
CIAC - Donated Property			-
Total CIAC	(37,100)	(32,025)	(69,125)
Accumulated Amortization of CIAC	4,175	1,263	5,438
Acquisition Adjustments	-	-	-
Acc. Amort. of Acquisition Adjustments	-	-	-
Advances for Construction	(15,950)	(35,000)	(50,950)
Positive Acc. Deferred Income Taxes	(737)	(1,290)	(2,027)
Working Capital Allowance	903	1,580	2,484
Total Rate Base	7,785	27,925	23,091

Lake Utility Services, Inc.
Schedule of Rate Base
Average Test Year Ended 12/31/95

Four Lakes
Average TYE 12/31/95

	Four Lakes ATYE 12/31/95
Utility Plant in Service	
Organization	6,882
Struct & Improv	223
Wells & Springs	11,068
Pumping Equip	9,588
Wtr Treatment Equip	4,231
Distrib Reservoir	2,214
Trans Mains (Within Systems)	27,067
Trans Mains (B/n Systems)	-
Services	3,428
Meters & Installation	1,140
Hydrants	-
Tools, Shop	-
Total Utility Plant in Service	65,840
Common Tools	417
Water Service Corp Rate Base	1,423
Utility Land & Land Rights	100
Less: Non-Used & Useful Plant	(14,262)
Construction Work in Progress	-
Less: Accumulated Depreciation	(6,762)
Less: CIAC	
CIAC - Cash	(20,580)
CIAC - Donated Property	
Total CIAC	(20,580)
Accumulated Amortization of CIAC	11,231
Acquisition Adjustments	-
Acc. Amort. of Acquisition Adjustments	-
Advances for Construction	-
Positive Acc. Deferred Income Taxes	(827)
Working Capital Allowance	1,013
Total Rate Base	37,593

Lake Utility Services, Inc.
Schedule of Rate Base
Average Test Year Ended 12/31/95

Lake Saunders
Average TYE 12/31/95

	Lake Saunders ATYE 12/31/95
Utility Plant in Service	
Organization	-
Struct & Improv	149
Wells & Springs	17,176
Pumping Equip	10,324
Wtr Treatment Equip	574
Distrib Reservoir	11,770
Trans Mains (Within Systems)	22,924
Trans Mains (B/n Systems)	-
Services	4,293
Meters & Installation	-
Hydrants	-
Tools, Shop	-
Total Utility Plant in Service	67,210
Common Tools	292
Water Service Corp Rate Base	996
Utility Land & Land Rights	929
Less: Non-Used & Useful Plant	(5,268)
Construction Work in Progress	-
Less: Accumulated Depreciation	(6,878)
Less: CIAC	
CIAC - Cash	(50,563)
CIAC - Donated Property	
Total CIAC	(50,563)
Accumulated Amortization of CIAC	7,395
Acquisition Adjustments	-
Acc. Amort. of Acquisition Adjustments	-
Advances for Construction	-
Positive Acc. Deferred Income Taxes	13,079
Working Capital Allowance	1,034
Total Rate Base	28,225

Lake Utility Services, Inc.
Schedule of Used & Useful
Average Test Year Ended 12/31/95

Clermont I, Amber Hill, Lake Ridge Club
Average TYE 12/31/95

	ATYE 12/31/95	U & U Percentage	U & U ATYE 12/31/95	Adjustment
Utility Plant in Service				
Organization	3,260	100.0%	3,260	-
Struct & Improv	11,722	100.0%	11,722	-
Wells & Springs	53,946	100.0%	53,946	-
Pumping Equip	33,182	100.0%	33,182	-
Wtr Treatment Equip	23,416	100.0%	23,416	-
Distrib Reservoir	19,367	100.0%	19,367	-
Trans Mains (Within Systems)	111,429	70.9%	78,974	(32,455)
Trans Mains (B/n Systems)	11,924	100.0%	11,924	-
Services	20,128	100.0%	20,128	-
Meters & Installation	2,526	100.0%	2,526	-
Hydrants	3,176	100.0%	3,176	-
Tools, Shop	223	100.0%	223	-
Total Utility Plant in Service	294,300		261,845	(32,455)
Accumulated Depreciation	(30,122)	89.0%	(26,800)	3,322
Net CIAC & Advances	(183,248)	89.0%	(163,039)	20,208
Total Net U&U Plant	80,930		72,005	(8,925)
Number of lots served @ 12/31/95	219			
Lots served at build out	309			
Used & Useful %	70.9%			
Plant U&U %	100%			
Weighted average U&U %	89.0%			

Lake Utility Services, Inc.
Schedule of Used & Useful
Average Test Year Ended 12/31/95

Clermont II
Average TYE 12/31/95

	ATYE 12/31/95	U & U Percentage	U & U ATYE 12/31/95	Adjustment
Utility Plant in Service				
Organization	837	100.0%	837	-
Struct & Improv	2,688	100.0%	2,688	-
Wells & Springs	3,835	74.6%	2,862	(972)
Pumping Equip	2,581	74.6%	1,927	(654)
Wtr Treatment Equip	1,968	74.6%	1,469	(499)
Distrib Reservoir	2,601	100.0%	2,601	-
Trans Mains (Within Systems)	18,070	74.0%	13,371	(4,698)
Trans Mains (B/n Systems)	-	100.0%	-	-
Services	3,937	100.0%	3,937	-
Meters & Installation	826	100.0%	826	-
Hydrants	604	100.0%	604	-
Tools, Shop	73	100.0%	73	-
Total Utility Plant in Service	38,019		31,196	(6,824)
Accumulated Depreciation	(3,847)	82.1%	(3,157)	690
Net CIAC & Advances	-	82.1%	-	-
Total Net U&U Plant	34,172		28,039	(6,133)
Number of lots served @ 12/31/95	37			
Lots served at build out	50			
Used & Useful %	74.0%			
Plant U&U %	74.6%			
Weighted average U&U %	82.1%			

Lake Utility Services, Inc.
Schedule of Used & Useful
Average Test Year Ended 12/31/95

South Clermont Region, Preston Cove, Crescent Bay, Crescent West, Highland Point, Lake Crescent Hills
Average TYE 12/31/95

	ATYE 12/31/95	U & U Percentage	U & U ATYE 12/31/95	Adjustment
Utility Plant in Service				
Organization	4,797	100.0%	4,797	-
Struct & Improv	27,368	100.0%	27,368	-
Wells & Springs	66,576	57.1%	38,006	(28,569)
Pumping Equip	34,592	57.1%	19,747	(14,844)
Wtr Treatment Equip	67,777	57.1%	38,692	(29,085)
Distrib Reservoir	36,096	100.0%	36,096	-
Trans Mains (Within Systems)	345,396	40.4%	139,446	(205,950)
Trans Mains (B/n Systems)	495,405	100.0%	495,405	-
Services	57,459	100.0%	57,459	-
Meters & Installation	17,191	100.0%	17,191	-
Hydrants	28,617	100.0%	28,617	-
Tools, Shop	719	100.0%	719	-
Total Utility Plant in Service	1,181,991		903,542	(278,449)
Accumulated Depreciation	(120,422)	76.4%	(92,053)	28,368
Net CIAC & Advances	(983,539)	76.4%	(751,840)	231,698
Total Net U&U Plant	78,030		59,648	(18,382)
Number of lots served @ 12/31/95	455			
Lots served at build out	1,127			
Used & Useful %	40.4%			
Plant U&U %	57.1%			
Weighted average U&U %	76.4%			

Lake Utility Services, Inc.
Schedule of Used & Useful
Average Test Year Ended 12/31/95

Oranges, Vista
Average TYE 12/31/95

	ATYE 12/31/95	U & U Percentage	U & U ATYE 12/31/95	Adjustment
Utility Plant in Service				
Organization	-	100.0%	-	-
Struct & Improv	1,541	100.0%	1,541	-
Wells & Springs	14,335	37.5%	5,372	(8,963)
Pumping Equip	11,995	37.5%	4,495	(7,499)
Wtr Treatment Equip	1,748	37.5%	655	(1,093)
Distrib Reservoir	4,568	100.0%	4,568	-
Trans Mains (Within Systems)	116,723	57.6%	67,187	(49,536)
Trans Mains (B/n Systems)	5,446	100.0%	5,446	-
Services	5,072	100.0%	5,072	-
Meters & Installation	-	100.0%	-	-
Hydrants	-	100.0%	-	-
Tools, Shop	-	100.0%	-	-
Total Utility Plant in Service	161,427		94,336	(67,091)
Accumulated Depreciation	(16,426)	58.4%	(9,599)	6,827
Net CIAC & Advances	(114,637)	58.4%	(66,992)	47,645
Total Net U&U Plant	30,363		17,744	(12,619)
Number of lots served @ 12/31/95	118			
Lots served at build out	205			
Used & Useful %	57.6%			
Plant U&U %	37.5%			
Weighted average U&U %	58.4%			

Lake Utility Services, Inc.
Schedule of Used & Useful
Average Test Year Ended 12/31/95

Four Lakes
Average TYE 12/31/95

	ATYE 12/31/95	U & U Percentage	U & U ATYE 12/31/95	Adjustment
Utility Plant in Service				
Organization	6,882	100.0%	6,882	-
Struct & Improv	223	100.0%	223	-
Wells & Springs	11,068	62.7%	6,937	(4,131)
Pumping Equip	9,588	62.7%	6,009	(3,579)
Wtr Treatment Equip	4,231	62.7%	2,652	(1,579)
Distrib Reservoir	2,214	100.0%	2,214	-
Trans Mains (Within Systems)	27,067	64.6%	17,473	(9,593)
Trans Mains (B/n Systems)	-	100.0%	-	-
Services	3,428	100.0%	3,428	-
Meters & Installation	1,140	100.0%	1,140	-
Hydrants	-	100.0%	-	-
Tools, Shop	-	100.0%	-	-
Total Utility Plant in Service	65,840		46,957	(18,883)
Accumulated Depreciation	(6,762)	71.3%	(4,823)	1,939
Net CIAC & Advances	(9,349)	71.3%	(6,668)	2,681
Total Net U&U Plant	49,729		35,467	(14,262)
Number of lots served @ 12/31/95	51			
Lots served at build out	79			
Used & Useful %	64.6%			
Plant U&U %	62.7%			
Weighted average U&U %	71.3%			

Lake Utility Services, Inc.
Schedule of Used & Useful
Average Test Year Ended 12/31/95

Lake Saunders
Average TYE 12/31/95

	ATYE 12/31/95	U & U Percentage	U & U ATYE 12/31/95	Adjustment
Utility Plant in Service				
Organization	-	100.0%	-	-
Struct & Improv	149	100.0%	149	-
Wells & Springs	17,176	41.0%	7,048	(10,128)
Pumping Equip	10,324	41.0%	4,236	(6,088)
Wtr Treatment Equip	574	41.0%	236	(338)
Distrib Reservoir	11,770	100.0%	11,770	-
Trans Mains (Within Systems)	22,924	82.2%	18,849	(4,075)
Trans Mains (B/n Systems)	-	100.0%	-	-
Services	4,293	100.0%	4,293	-
Meters & Installation	-	100.0%	-	-
Hydrants	-	100.0%	-	-
Tools, Shop	-	100.0%	-	-
Total Utility Plant in Service	67,210		46,580	(20,630)
Accumulated Depreciation	(6,878)	69.3%	(4,767)	2,111
Net CIAC & Advances	(43,169)	69.3%	(29,918)	13,250
Total Net U&U Plant	17,163		11,895	(5,268)
Number of lots served @ 12/31/95	37			
Lots served at build out	45			
Used & Useful %	82.2%			
Plant U&U %	41.0%			
Weighted average U&U %	69.3%			

Used and Useful Calculations
Water Treatment Plant

Florida Public Service Commission

Company: Lake Utility Services, Inc.
Docket No: 960444-WU
Schedule Year Ended: 12/31/95

Schedule: F-5
Page 13 of 13
Preparer: Mark F. Kramer

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the water treatment plant(s) for the historical test year and the projected test year (if applicable).

(1) Interconnected Systems	(2) Combined Capacity of Plants (GPD)	(3) Combined Maximum Daily Flow (GPD)	(4) Combined Fire Flow Capacity (GPD)	(5) Combined Margin Reserve (GPD)	(6) Excessive Unaccounted For Water (GPD)	(7) Total Use (GPD)	(8) Used & Useful Percentage
Clermont I, Amber Hill, Lake Ridge Club	595,000	699,000	120,000	0	0	819,000	138%
Clermont II	71,000	53,000	0	0	0	53,000	75%
The Oranges, Vistas	1,116,000	290,000	120,000	10,296	2,057	418,239	37%
Highland Point, Crescent Bay, Crescent West, Lake Crescent Hills	1,692,000	817,000	120,000	45,660	16,744	965,916	57%
Lake Saunders	432,000	57,000	120,000	1,042	782	177,260	41%
Four Lakes	88,000	52,000	0	6,947	3,795	55,152	63%
Totals	3,994,000	1,968,000	480,000	63,945	23,378	2,488,567	62%

Lake Utility Services, Inc.
Plant Capacity
Test Year Ended 12/31/95

	Plant Rated Capacities (Gallons per Day)	
Amber Hill	396,000	
Clermont I	115,000	
Clermont II	71,000	
Crescent Bay	396,000	(A)
Crescent West	432,000	
Four Lakes	88,000	(B)
Highland Point	432,000	
Lake Crescent Hills	432,000	
Lake Ridge	84,000	(C)
Lake Saunders	432,000	
Oranges	396,000	
Vistas	720,000	(D)
Total	3,994,000	

State of Florida
Department of Environmental Protection
Central District

SANITARY SURVEY REPORT

Plant Name CRESCENT BAY S/D County Lake PWS ID # 3354686
Plant Location South Lakeshore Dr., Clermont 32711 Phone 407/869-1919
Owner Name Utilities Inc.of Florida Phone 407/869-1919
Owner Address 200 Weathersfield Ave.,Altamonte Springs, Fl 32714
Contact Person David Zusi Title Reg. Ops. Mgr. Phone 407/869-1919
This Survey Date 10/22/96 Last Survey Date 3/3/93 Last C.I. Date 10/11/95

PWS TYPE & CLASS
☒ Community
☐ Non-transient Non-community
☐ Non-Community

PWS STATUS
☒ Approved system with approval number & date
WC35-2105, 2/1/88
☐ Unapproved system

SERVICE AREA CHARACTERISTICS
Residential S/D
5C
Food Service: ☐ Yes ☐ No ☒ N/A

OPERATION & MAINTENANCE
Certified Operator: ☒ Yes ☐ No ☐ Not required
Operator(s) & Certification Class-Number
Jay Aldrich "C"-6368

O & M Log: ☒ Yes ☐ No ☐ Not required
Operator Visitation Frequency
Hrs/day: *Required* N/A *Actual* N/A
Days/wk: *Required* 6 *Actual* 6
Non-consecutive Days? ☐ Yes ☐ No ☒ N/A
MORs submitted regularly? ☒ Yes ☐ No ☐ N/A
Data missing from MORs? ☐ No ☒ Yes ☐ N/A
Number of service connections is not being reported.

Number of Service Connections Unk
Population Served Unk Basis
Average Day (from MORs) *** gpd
Max. Day (from MORs) *** gpd
Max-day Design Capacity 396,000 gpd
Comments The plant was off line at he time of visit. Water was being provided by Lk. Crescent Hills, Crescent West, Highland Point. ***

COMET: SITE ID PROJECT ID 100208

RAW WATER SOURCE
☒ GROUND; Number of Wells 1
☐ SURFACE/UDI; Source
☐ PURCHASED from PWS ID #
☒ Emergency Water Source ***
Emergency Water Capacity

AUXILIARY POWER SOURCE
☐ Yes ☒ None ☐ Not Required
Source
Capacity of Standby (kW)
Switchover: ☐ Automatic ☐ Manual
Standby Plan: ☐ Yes ☐ No
Hrs Operated Under Load
What equipment does it operate?
☐ Well pumps
☐ High Service Pumps
☐ Treatment Equipment
Satisfy 1/2 max-day demand? ☐ Yes ☐ No ☐ Unk
Comments

TREATMENT PROCESSES IN USE
Chlorination
What additional treatment is needed?
For control of what deficiencies?

DISTRIBUTION SYSTEM
Flow Measuring Device Flow Meter
Meter Size & Type 3" Hersey
Backflow Prevention Devices: ☒ Yes ☐ No
Cross-connections None Observed
Written Cross-connection Control Program: Yes
Coliform Sampling Plan: ☒ Yes ☐ No ☐ N/A
Comments Lake Crescent Hills has the Auxiliary Generator(Propane gas)

A

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL REGULATION
Sanitary Survey Report

Plant Name Four Lakes & Harbor Oaks S/D County Lake PWS ID 3354647

Plant Address Alfa Rd Montverde Zip Code 34756 Plant Phone (407) 469-2621

Owner Name Four Lakes Utility Co, Inc. Gee Gee Franklin, President Owner Phone (407) 469-262

Owner Address P.O. Box 560520 City Montverde State FL Zip Code 34756

Date of this Insp. 12/13/89 Date of last Insp. None Person Contacted Gerald Thurber

Certified Operators: Gokerry Utilities
Certified Operators Numbers: 5848C

category 5, Class D plant requires 3 nonconsecutive visits per week
access to [illegible] only once per week
MOR lacking the following: Flow, service connections, residual chlorine, residual & gallon of chlorine used.

~~Population served~~ 74 Service Connections 21 % metered 100
Design Capacity .088 Design Storage Capacity ____ Average output unk-insuff info
~~Maximum Hour~~ ____ Maximum Day unk-insuff. info.

Approval Number & Date WC 35-2062 Type meter & capy None
No certification of completion for permit # WD35-2062, issued 7/20/[illegible] — Harbor Oaks

Service area characteristics: (check all that apply) ____ COMMUNITY/ ____ NON-COMMUNITY

__ Airport	__ Institution	__ Recreation area	✓ Subdivision
__ Bathing area	__ Interstate Carrier	✓ Residential	__ Trailer Park
__ Campground	__ Lodge	__ Rest area	__ Visitor Center
__ Company Town	__ Marina	__ Restaurant	__ Other ____
__ Indian Reservation	__ Motel	__ School	

Emergency Water Source 2nd well Emergency Power Source None

Type of Standby — Capacity of Standby —

Sources of Raw Water: ✓ Ground* __ Surface** __ Purchased***

How many wells? 2 Identify Source: ____ Identify supply system: ____

Treatment in use at this plant: (check all that apply)

__ Aeration	__ E.D.	__ Lime Softening	__ Settling
✓ Chlorination	__ Filtration	__ Recarbonation	__ Zeolite Soft.
__ Chlor.-pre.	__ Filt.hi-rate	__ Reverse Osmosis	__ Other (specify)
__ Chlor.-post	__ Fluoridation	__ pH adjustment	
__ Coagulation	__ Iron Removal	__ T & O control	

What, if any, additional treatment is needed? ____

For the control of what deficiencies? ____

*Use Page 2 (Ground)
**Use Page 2 (Surface)
***Page 2 not required

DER Form Perm 13-24 (August, 80)

B

Florida Department of Environmental Regulation

Central District • 3319 Maguire Boulevard, Suite 232 • Orlando, Florida 32803-3767 • 407-894-7555

Bob Martinez, Governor Dale Twachtmann, Secretary John Shearer, Assistant Secretary
Alex Alexander, Deputy Assistant Secretary

Permittee:
Rogers Investment Company, Inc.
Post Office Box 492460
Leesburg, FL 34749-2460

Attention: Stephen Vaughn, Sr.
Director

I. D. Number:
Permit/Certification
Number: WC35-183571
Date of Issue:
Expiration Date: 12/31/91
County: Lake
Project: Lake Ridge Club Subdivision (107 ERCs/.084 MGD)

This permit is issued under the provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Rule 17-555, (F.A.C.). The above named permittee is hereby authorized to perform the work shown on the application and approved drawing, plans, and other documents attached hereto or on file with the department and made a part hereof and specifically described as follows:

Construction of a community public water system to serve 107 units at the Lake Ridge Club subdivision located on Lakeshore Drive in Section 6, Township 23 South, Range 26 East, south of Clermont in Lake County, Florida. The water plant consists of a 10-inch well with 650 GPM pump, an 8,000-gallon hydropneumatic tank and gas chlorination facilities. A 75 KW diesel generator with automatic startup capability will be provided prior to occupancy of 100 units. This plant will be interconnected with the Amberhill water system.

The rated design capacity of the plant is .084 MGD which will require a minimum Class D certified water plant operator on-site for three non-consecutive visits per week.

General Conditions are attached to be distributed to the permittee only.

C

State of Florida
Department of Environmental Protection
Central District

SANITARY SURVEY REPORT

Plant Name VISTAS S/D, THE County Lake PWS ID # 3354773
Plant Location US Highway 27, Clermont Phone 407/869-1919
Owner Name Utilities Inc., Florida Phone 407/869-1919
Owner Address 200 Weathersfield Ave. Altamonte Springs, Fl 32714
Contact Person David Zusi Title Reg. Ops. Mgr. Phone 407/869-1919
This Survey Date 10/22/96 Last Survey Date 3/3/93 Last C.I. Date 10/6/95

PWS TYPE & CLASS
- [x] Community
- [ ] Non-transient Non-community
- [ ] Non-Community

PWS STATUS
- [x] Approved system with approval number & date WC35-1596009, 5/30/89
- [ ] Unapproved system

SERVICE AREA CHARACTERISTICS
Residential S/D
5C
Food Service: [ ] Yes [ ] No [x] N/A

OPERATION & MAINTENANCE
Certified Operator: [x] Yes [ ] No [ ] Not required
Operator(s) & Certification Class-Number
Jay Aldrich "C"-6368

O & M Log: [x] Yes [ ] No [ ] Not required
Operator Visitation Frequency
Hrs/day: *Required* N/A *Actual* N/A
Days/wk: *Required* 6 *Actual* 6
Non-consecutive Days? [ ] Yes [ ] No [x] N/A
MORs submitted regularly? [x] Yes [ ] No [ ] N/A
Data missing from MORs? [ ] No [x] Yes [ ] N/A
Number of service connections missing.

Number of Service Connections Unk
Population Served Unk Basis
Average Day (from MORs) 39,322 gpd
Max. Day (from MORs) 156,000 gpd
Max-day Design Capacity 720,000 gpd
Comments

COMET: SITE ID _____ PROJECT ID 100203

RAW WATER SOURCE
- [x] GROUND; Number of Wells 1
- [ ] SURFACE/UDI; Source
- [ ] PURCHASED from PWS ID #
- [x] Emergency Water Source Oranges S/D
  Emergency Water Capacity

AUXILIARY POWER SOURCE
[ ] Yes [x] None [ ] Not Required
Source
Capacity of Standby (kW)
Switchover: [ ] Automatic [ ] Manual
Standby Plan: [ ] Yes [ ] No
Hrs Operated Under Load
What equipment does it operate?
- [ ] Well pumps
- [ ] High Service Pumps
- [ ] Treatment Equipment

Satisfy 1/2 max-day demand? [ ] Yes [ ] No [ ] Unk
Comments

TREATMENT PROCESSES IN USE
Chlorination

What additional treatment is needed?

For control of what deficiencies?

DISTRIBUTION SYSTEM
Flow Measuring Device Flow Meter
Meter Size & Type 3" Hersey
Backflow Prevention Devices: [x] Yes [ ] No
Cross-connections None Observed
Written Cross-connection Control Program: Yes
Coliform Sampling Plan: [x] Yes [ ] No [ ] N/A
Comments

Service Availability Charge Calculation

Company: Lake Utility Services, Inc.
Docket No: 960444-WU
Schedule Year Ended: 12/31/95

Florida Public Service Commission

Schedule: SAC-1
Page 1 of 1
Preparer: Mark F. Kramer

Line No.	Description	Test Year Average 12/31/95	Supporting Schedule(s)
1	Utility Plant in Service	1,381,460 (1)	Updated Sch. of RB
2	Less: Accumulated Depreciation	(184,457)	Updated Sch. of RB
3	Net Plant	1,197,003	L.1 - L.2
4	Accumulated Depreciation at Design Capacity	471,210	L.2 + (L.1 X L.15 X L.18)
5	Net Plant at Design Capacity	910,250	L.1 - L.4
6	Minimum Level of CIAC (Water Transmission & Distribution Lines)	919,395 (1)	Updated Sch. of RB
7	Pct of Gross CIAC/ Utility Plant in Service	67%	L.6 / L.1
8	CIAC	589,653 (1)	Updated Sch. of RB
9	Less: Accumulated Amortization of CIAC	121,233	Updated Sch. of RB
10	Net CIAC	468,421	L.8 - L.9
11	Pct. of Net CIAC / Net Plant	39%	L.10 / L.3
12	Accumulated Amortization of CIAC at design capacity - No growth	243,628	L.9 + (L.8 X L.16 X L.18)
13	Net CIAC at Design Capacity - No growth	346,025	L.8 - L.12
14	Pct of Net CIAC / Net Plant at Design Capacity - No Growth	38%	L.13 / L.5
15	Composite Depreciation Rate	2.81%	
16	Composite Amortization Rate	2.81%	
17	Future Customers (ERC) to be connected to System	746	SAC-2
18	Number of Years to Design Capacity	7.4	L.17 / L.33
19	**MINIMUM** Service Availability Charge per ERC	**$442**	L.21 / L.17
20	Pct of Minimum CIAC / Utility Plant	67%	L.21 / L.1
21	Minimum Level of CIAC (Water Transmission & Distribution Lines)	919,395	L.6
22	Gross CIAC	589,653	L.8
23	**EXISTING** Service Availability Charge per ERC	**$1,075**	Current Tariff
24	Pct of Net CIAC / Utility Plant at Design Capacity	113%	L.26 / L.5
25	CIAC at Design Capacity	1,380,853	SAC-3
26	Net CIAC at Design Capacity	1,030,523	SAC-3
27	**MAXIMUM** Service Availability Charge per ERC	**$540**	SAC-3
28	Pct of Net CIAC / Utility Plant at Design Capacity	75%	L.30 / L.5
29	CIAC at Design Capacity	987,093	SAC-3
30	Net CIAC at Design Capacity	684,810	SAC-3
31	Number of ERCs at Capacity	1,673	SAC-2
32	Current Number of Customers (12/31/95)	927	F-9
33	Estimated Annual ERC Growth	101	F-9

(1) Eliminates $460,000 granted from the State of Florida

SAC - ERCs

Florida Public Service Commission

Company: Lake Utility Services, Inc.
Docket No: 960444-WU
Schedule Year Ended: 12/31/95

Schedule: SAC-2
Page 1 of 1
Preparer: Mark F. Kramer

Line No.	Description	Test Year Average 12/31/95	Supporting Schedule(s)
1	Total Plant Capacity (GPD)	3,994,000	F-5
2	Less: Fire Flow	480,000	F-5
3	Usable Plant Capacity	3,514,000	
4	Max Day Demand	1,968,000	F-5
5	Number of ERCs	937	F-9
6	Max Day Demand/ERC	2,100	Ln 4/Ln 5
7	Design Capacity (in ERCs)	1,673	Ln 3/Ln 6
8	Future ERCs	736	Ln 7 - Ln 5
9	Expected Growth in ERCs per annum	101	F-9
10	Years to Build Out	7	Ln 8 / Ln 9

Calculation of Additional CIAC and Amortiztion of CIAC

Florida Public Service Commission

Company: Lake Utility Services, Inc.
Docket No: 960444-WU
Schedule Year Ended: 12/31/95

Schedule: SAC-3
Page 1 of 1
Preparer: Mark F. Kramer

Line No.	Year Ended	Annual Growth	CIAC Balance	Annual Amortization Expense	Accumulated Amortization CIAC Balance	Net CIAC	Net Plant at Design Capacity
1	12/31/95		589,653		121,233	468,421	
2	12/31/96	101	644,193	17,336	138,568	505,625	
3	12/31/97	101	698,733	18,868	157,436	541,297	
4	12/31/98	101	753,273	20,401	177,837	575,436	
5	12/31/99	101	807,813	21,933	199,770	608,043	
6	12/31/00	101	862,353	23,466	223,236	639,117	
7	12/31/01	101	916,893	24,998	248,234	668,659	
8	12/31/02	101	971,433	26,531	274,765	696,668	
9	12/31/03	29	987,093	27,517	302,283	684,810	910,250
		736					

Net CIAC/ Plant: 75%

Maximum Service Availability Charge $540

CIAC Amortization Rate 2.81% (SAC-1, L.16)

Line No.	Year Ended	Annual Growth	CIAC Balance	Annual Amortization Expense	Accumulated Amortization CIAC Balance	Net CIAC	Net Plant at Design Capacity
1	12/31/95		589,653		121,233	468,421	
2	12/31/96	101	698,228	18,095	139,327	558,901	
3	12/31/97	101	806,803	21,146	160,473	646,330	
4	12/31/98	101	915,378	24,197	184,670	730,708	
5	12/31/99	101	1,023,953	27,248	211,917	812,036	
6	12/31/00	101	1,132,528	30,299	242,216	890,312	
7	12/31/01	101	1,241,103	33,350	275,565	965,538	
8	12/31/02	101	1,349,678	36,400	311,966	1,037,712	
9	12/31/03	29	1,380,853	38,364	350,330	1,030,523	910,250
		736					

Net CIAC/ Plant: 113%

Existing Service Availability Charge $1,075

CIAC Amortization Rate 2.81% (SAC-1, L.16)

Lake Utility Services, Inc.
Schedule of Rate Base
Average Test Year Ended 12/31/95

Lake Utility Services, Inc.
Average TYE 12/31/95

	TOTAL LUSI ATYE 12/31/95	TOTAL LUSI Per Filing ATYE 12/31/95	Difference
Utility Plant in Service			
Organization	15,776	92,298	(76,522)
Struct & Improv	43,691	142,855	(99,164)
Wells & Springs	166,936	74,566	92,370
Pumping Equip	102,261	57,925	44,336
Wtr Treatment Equip	99,713	121,248	(21,535)
Distrib Reservoir	76,616	91,844	(15,228)
Trans Mains (Within Systems)	641,609	1,238,603	(596,995)
Trans Mains (B/n Systems)	512,775	-	512,775
Services	94,317	54,438	39,879
Meters & Installation	21,683	7,990	13,693
Hydrants	32,397	22,358	10,039
Tools, Shop	1,015	-	1,015
Total Utility Plant in Service	1,808,786	1,904,125	(95,339)
Common Tools	6,474	21,998	(15,524)
Water Service Corp Rate Base	22,114	19,933	2,181
Utility Land & Land Rights	4,086	3,730	356
Less: Non-Used & Useful Plant	(65,590)	(49,361)	(16,229)
Construction Work in Progress	-	-	-
Less: Accumulated Depreciation	(184,457)	(131,754)	(52,703)
Less: CIAC			
CIAC - Cash	(1,037,803)	(881,203)	(156,600)
CIAC - Donated Property	(11,850)	-	(11,850)
Total CIAC	(1,049,653)	(881,203)	(168,450)
Accumulated Amortization of CIAC	121,233	109,430	11,803
Acquisition Adjustments	-	(70,169)	70,169
Acc. Amort. of Acquisition Adjustments	-	7,095	(7,095)
Advances for Construction	(405,520)	-	(405,520)
Accumulated Deferred Income Taxes	116,542	116,542	(0)
Working Capital Allowance	27,828	27,828	-
Total Rate Base	401,843	1,078,194	(676,351)