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May 13, 1999

VIA FEDERAL EXPRESS

Ms. Blanca Bayo, Director
Department of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Application for Rate Increase in Duval, St. Johns and Nassau
Counties by United Water Florida Inc. ("United Water Florida"),
Docket No. 980214-WS

Dear Ms. Bayo:

In accordance with Mr. Scott G. Schildberg's telephone conversation yesterday with
Ms. Jennifer Brubaker of the Staff of the Florida Public Service Commission
("Commission"), United Water Florida hereby submits the following:

1. A May 13, 1999 draft of a Notice to Customers of United Water Florida Inc. of Approved Rates, Docket No. 980214-WS, Dated: May ____, 1999.
2. A May 13, 1999 draft of a Notice to Interested Parties of Approval of New Guaranteed Revenue Charges and Allowance for Funds Prudently Invested Charges by the Florida Public Service Commission for United Water Florida Inc., Docket No. 980214-W, Dated: May ____, 1999.
3. An original and four (4) copies of the following sheets:
 1. Water Tariff Tenth Revised Sheet No. 16.0
 2. Water Tariff Eleventh Revised Sheet No. 17.0
 3. Wastewater Tariff Tenth Revised Sheet No. 18.0
 4. Wastewater Tariff Original Sheet No. 32.0

AFA _____
 APP _____
 CAF _____
 CMU _____
 CTR _____
 EAG _____
 LEG 1
 MAS _____
 OPC _____
 RRR _____
 SEC 1
 WAW 1
 OTH _____

1 W.org tariff sheets

DOCUMENT NUMBER-DATE
06125 MAY 14 99
FPSC-RECORDS/REPORTING

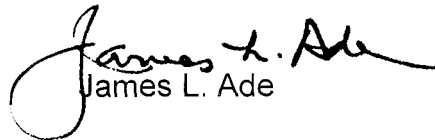
Ms. Blanca Bayo
May 13, 1999
Page 2

Also submitted are an original and four (4) copies of Water Tariff Tenth Revised Sheet No. 19.0 which contained an error for the Base Facility Charges for 6" meters.

Please arrange for the Staff of the Commission to do the following: (1) approve the Notices; and (2) approve the tariff sheets.

Please call me if you have any questions.

Sincerely yours,


James L. Ade

JLA:dws
Enclosures

cc: Mr. Walton F. Hill (via facsimile)
Mr. Jack Schreyer
Mr. Gary R. Moseley
Ms. Jennifer Brubaker (via facsimile)
Mr. Barry Davis (via facsimile)
Mr. Harold McLean

DRAFT
5-13-99

Notice to Customers of
United Water Florida Inc. of Approved Rates
Docket No. 980214-WS
Dated: May ___, 1999

Dear Customer:

On May 18, 1998, United Water Florida Inc. ("United Water Florida") filed an application with the Florida Public Service Commission ("Commission") for an increase in its water and wastewater rates in Duval, Nassau and St. Johns Counties, Florida. The rate increases are primarily due to capital investments that are being required to meet more stringent environmental regulations, rehabilitation of United Water Florida's water distribution and wastewater collection systems, and major enhancements to United Water Florida's water and wastewater treatment processes. The Staff of the Commission conducted customer meetings on September 9, 10, and 11, 1998. On March 12, 1999, the Commission issued a Notice of Proposed Agency Action Approving Increased Water and Wastewater Rates and Charges ("PAA Order").

A petition for a formal hearing on the PAA Order was filed with the Commission by the Office of Public Counsel ("OPC"). On May 4, 1999, the Commission adopted a Stipulation between OPC and United Water Florida and Withdrawal of Protest by OPC and established approved rates. A schedule showing United Water Florida's rates prior to the rate case (i.e., Present Rates), United Water Florida's requested rates, and the Commission's approved rates is set forth on the reverse side of this notice. The approved rates are effective for service rendered on or after May ___, 1999.

United Water Florida's customer service hours are Monday through Friday, 8:30 a.m. through 4:30 p.m. If you have any questions, please call United Water Florida at (904) 725-2865. You may also call the Commission's Division of Consumer Affairs at the following toll-free number: 1-800-342-3552.

This notice was approved by the Staff of the Commission.

WATER SERVICE RATES

Residential Service (Monthly Rates)

<u>Meter Size</u>	<u>Present Rates</u> Base Facility Charges	<u>Requested Rates</u> Base Facility Charges	<u>Approved Rates</u> Base Facility Charges
5/8"	\$ 17.39	\$ 21.09	\$ 7.56
3/4"	\$ 25.16	\$ 30.52	\$ 10.96
1"	\$ 44.63	\$ 54.13	\$ 19.43
1 1/2"	\$ 100.43	\$ 121.81	\$ 43.62
2"	\$ 178.54	\$ 216.55	\$ 77.57
Gallage Charge per 1,000 Gallons	\$ 1.36	\$ 1.65	\$ 1.45
per 100 cubic feet	\$ 1.01	\$ 1.23	\$ 1.08

General Service (Monthly Rates)

<u>Meter Size</u>	<u>Present Rates</u> Base Facility Charges	<u>Requested Rates</u> Base Facility Charges	<u>Approved Rates</u> Base Facility Charges
5/8"	\$ 8.08	\$ 9.66	\$ 7.56
3/4"	\$ 11.69	\$ 14.04	\$ 10.96
1"	\$ 20.74	\$ 25.01	\$ 19.43
1 1/2"	\$ 46.66	\$ 56.45	\$ 43.62
2"	\$ 82.94	\$ 100.45	\$ 77.57
3"	\$ 186.68	\$ 226.29	\$ 174.64
4"	\$ 331.78	\$ 402.27	\$ 310.41
6"	\$ 746.60	\$ 905.39	\$ 698.47
8"	\$1,327.01	\$1,609.53	\$1,241.43
10"	\$2,074.11	\$2,515.69	\$1,940.43
12"	\$2,986.40	\$3,622.20	\$2,793.87
Gallage Charge per 1,000 Gallons	\$ 1.36	\$ 1.65	\$ 1.45
per 100 cubic feet	\$ 1.01	\$ 1.23	\$ 1.08

Private Fire Protection (Monthly Rates)

<u>Size of Service Connection</u>	<u>Present Rates</u> Monthly Rate Per Connection	<u>Requested Rates</u> Monthly Rate Per Connection	<u>Approved Rates</u> Monthly Rate Per Connection
2"	\$ 6.91	\$ 8.38	\$ 6.46
3"	\$ 15.56	\$ 18.86	\$ 14.55
4"	\$ 27.65	\$ 33.51	\$ 25.87
6"	\$ 62.22	\$ 75.42	\$ 58.21
8"	\$ 110.58	\$ 134.05	\$ 103.45
10"	\$ 172.84	\$ 209.52	\$ 161.70
12"	\$ 248.87	\$ 301.67	\$ 232.82

WASTEWATER SERVICE RATES

Residential Service (Monthly Rates)

<u>Water Meter Size</u>	<u>Present Rates</u> Base Facility Charges	<u>Requested Rates</u> Base Facility Charges	<u>Approved Rates</u> Base Facility Charges
5/8"	\$ 34.01	\$ 39.70	\$ 12.14
3/4"	\$ 34.01	\$ 39.70	\$ 12.14
1"	\$ 34.01	\$ 39.70	\$ 12.14
1 1/2"	\$ 34.01	\$ 39.70	\$ 12.14
Unmetered account (No quantity charge)	\$ 108.63	\$ 126.63	\$ 37.46
Quantity Charge per 1,000 gallons	\$ 3.34	\$ 3.89	\$ 3.40
per 100 cubic feet (Maximum gallonage charge - 9,000 gallons of water or 1,200 cubic feet of water per month)	\$ 2.50	\$ 2.91	\$ 2.54

General Service - Standard (Monthly Rates)

<u>Water Meter Size</u>	<u>Present Rates</u> Base Facility Charges	<u>Requested Rates</u> Base Facility Charges	<u>Approved Rates</u> Base Facility Charges
5/8"	\$ 12.92	\$ 15.13	\$ 12.14
3/4"	\$ 18.69	\$ 21.85	\$ 17.60
1"	\$ 33.16	\$ 38.71	\$ 31.20
1 1/2"	\$ 74.61	\$ 87.01	\$ 70.05
2"	\$ 132.64	\$ 154.62	\$ 124.50
3"	\$ 298.53	\$ 347.91	\$ 280.43
4"	\$ 530.57	\$ 618.18	\$ 498.47
6"	\$1,193.95	\$1,391.03	\$1,121.61
8"	\$2,122.13	\$2,472.36	\$1,981.10
Unmetered Accounts (No quantity charges)	\$ 37.76	\$ 43.99	\$ 37.41
Quantity Charge per 1,000 Gallons of water	\$ 4.01	\$ 4.67	\$ 4.08
per 100 cubic feet of water	\$ 3.00	\$ 3.49	\$ 3.05

General Service - Jacksonville University (Monthly)

<u>Wastewater Meter Size</u>	<u>Present Rates</u> Base Facility Charges	<u>Requested Rates</u> Base Facility Charges	<u>Approved Rates</u> Base Facility Charges
3"	\$ 298.53	\$ 347.91	\$ 280.43
4"	\$ 530.57	\$ 618.18	\$ 498.47
6"	\$1,193.95	\$1,391.03	\$1,121.61
Quantity Charge per 1,000 Gallons of wastewater flows	\$ 4.13	\$ 4.81	\$ 4.25

Reuse Water Service - Ponte Vedra Golf Course

<u>Present Rates</u>	<u>Requested Rates</u>	<u>Approved Rates</u>
\$ 0.00	\$ 0.00	\$ 0.00

DRAFT

5-13-99

Notice to Interested Parties of Approval of
New Guaranteed Revenue Charges and
Allowance for Funds Prudently Invested Charges
by the Florida Public Service Commission
for United Water Florida Inc.
Docket No. 980214-WS
Dated: May __, 1999

Dear Customer:

On May 18, 1998, United Water Florida Inc. ("United Water Florida") filed an application with the Florida Public Service Commission ("Commission") for an increase in its water and wastewater rates in Duval, Nassau and St. Johns Counties, Florida. The rate increases are primarily due to capital investments that are being required to meet more stringent environmental regulations, rehabilitation of United Water Florida's water distribution and wastewater collection systems, and major enhancements to United Water Florida's water and wastewater treatment processes. The Staff of the Commission conducted customer meetings on September 9, 10, and 11, 1998. On March 12, 1999, the Commission issued a Notice of Proposed Agency Action Approving Increased Water and Wastewater Rates and Charges ("PAA Order").

In the PAA Order, the Commission ordered that Guaranteed Revenue Charges and Allowance for Funds Prudently Invested ("AFPI") charges be collected from customers to be connected to United Water Florida's Blacks Ford Wastewater Treatment Plant. A petition for a formal hearing on the PAA Order was filed with the Commission by the Office of Public Counsel ("OPC"). On May 4, 1999, the Commission adopted a Stipulation between OPC and United Water Florida and Withdrawal of Protest by OPC and established Approved Rates. The AFPI Charges were not changed. The Guaranteed Revenue Charges are based on base facility charges and, accordingly, the Guaranteed Revenue Charge was reduced by the adoption of the Stipulation. The charges are effective on and after May __, 1999. A schedule of the Guaranteed Revenue Charges and AFPI charges is set forth on the reverse side of this Notice.

United Water Florida's customer service hours are Monday through Friday, 8:30 a.m. through 4:30 p.m. If you have any questions, please call United Water Florida at (904) 725-2865. You may also call the Commission's Division of Consumer Affairs at the following toll-free number: 1-800-342-3552.

This notice was approved by the Staff of the Commission.

Guaranteed Revenue Charges - Wastewater

Rates:

A monthly charge equal to the base facility charge for each size water meter. If the water meter size is unknown, the base facility charge for a 5/8" by 3/4" shall be multiplied by the number of ERCs (ERC - 280 GPD) to determine the monthly guaranteed revenue charge.

Notes:

1. The number of remaining ERC's is 1,827.
2. When the number of remaining ERC's have connected, the charge will cease.

Allowance for Funds Prudently Invested - Wastewater

Charges:

A one-time charge based upon the month the customer pays the plant capacity charge.

Schedule of Charges:

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
January	\$ 0	\$ 313	\$ 608	\$ 919	\$ 1,248
February	\$ 24	\$ 338	\$ 633	\$ 946	\$ 1,277
March	\$ 48	\$ 362	\$ 659	\$ 973	\$ 1,306
April	\$ 72	\$ 387	\$ 685	\$ 1,000	\$ 1,335
May	\$ 96	\$ 411	\$ 711	\$ 1,028	\$ 1,363
June	\$ 120	\$ 435	\$ 737	\$ 1,055	\$ 1,392
July	\$ 145	\$ 460	\$ 762	\$ 1,082	\$ 1,421
August	\$ 169	\$ 484	\$ 788	\$ 1,110	\$ 1,450
September	\$ 193	\$ 509	\$ 814	\$ 1,137	\$ 1,479
October	\$ 217	\$ 533	\$ 840	\$ 1,164	\$ 1,508
November	\$ 241	\$ 557	\$ 866	\$ 1,192	\$ 1,537
December	\$ 265	\$ 582	\$ 891	\$ 1,219	\$ 1,566

Notes:

1. The amounts indicated above are per ERC. (ERC - 280 gpd)
2. The number of remaining ERC's is 1,827.
3. If the number of remaining ERC's has not connected by December 31, 2003, the maximum charge of \$1,566 remains in effect after December 31, 2003.
4. When the number of remaining ERC's have connected, the charge will cease.

RATE SCHEDULE GW (1)

SCHEDULE OF RATES FOR GENERAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service to all customers in the territory served by United Water Florida Inc., for which no other schedule applies, including Metered Commercial, Industrial, Municipal, Multiple Dwelling (Apartments) not individually metered and other Non-Residential Service customers.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Billing Period</u>
All usage, per 1,000 gallons	\$1.45
All usage, per 100 cubic feet	\$1.08

BASE FACILITY CHARGES:

<u>Meter Size</u>	<u>Per Meter Per Month</u>
5/8"	\$ 7.56
3/4"	10.96
1"	19.43
1½"	43.62
2"	77.57
3"	174.64
4"	310.41
6"	698.47
8"	1,241.43
10"	1,940.43
12"	2,793.87

Type of Filing: 1998 Rate Case Filing

(Continued to Sheet No. 16.1)

Effective: For Service Rendered On
Or After _____

Gray R. Moseley
Vice President

RATE SCHEDULE RW (1)

SCHEDULE OF RATES FOR RESIDENTIAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service for all purposes in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: MONTHLY

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Billing Period</u>
All usage, per 1,000 gallons	\$ 1.45
All usage, per 100 cubic feet	\$ 1.08

BASE FACILITY CHARGE:

<u>Meter Size</u>	<u>Per Meter Per Month</u>
5/8"	\$ 7.56
3/4"	10.96
1"	19.43
1½"	43.62
2"	77.57

Type of Filing: 1998 Rate Case Filing

(Continued to Sheet 17.1)

Effective: For Service Rendered On
Or After _____

Gray R. Moseley
Vice President

RATE SCHEDULE RS (1)
SCHEDULE OF RATES FOR RESIDENTIAL WASTEWATER COLLECTION SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For wastewater service in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: MONTHLY

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Billing Period</u>
All Usage Below Maximum - per 1,000 gallons	\$ 3.40
All Usage Below Maximum - per 100 cubic feet	\$ 2.54

The maximum gallonage charge per residential customer shall be no more than 9,000 gallons or 1,200 cubic feet per month.

<u>Base Facility Charge</u>	<u>Per Meter Per Month</u>
Per single family residential structure.....	\$ 12.14
The minimum billing under this tariff sheet shall be.....	\$ 12.14
The maximum billing under this tariff sheet shall be.....	\$ 42.74

For those customers who are unmetered a flat rate charge of \$37.46 per month shall be billed.

Type of Filing: 1998 Rate Case Filing

(Continued to Sheet No. 18.1)

Effective: For Service Rendered On
Or After _____

Gary R. Moseley
Vice President

ALLOWANCE FOR FUNDS PRUDENTLY INVESTED - WASTEWATER

AVAILABILITY:

Available throughout the area served by the Blacks Ford Wastewater Treatment Plant (St. Johns North and Sunray-St. Johns subservice areas)

APPLICABILITY:

To all future wastewater customers who have not paid a plant capacity charge.

CHARGES:

A one-time charge based upon the month the customer pays the plant capacity charge.

SCHEDULE OF CHARGES:

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
January	\$ 0	\$ 313	\$ 608	\$ 919	\$ 1,248
February	\$ 24	\$ 338	\$ 633	\$ 946	\$ 1,277
March	\$ 48	\$ 362	\$ 659	\$ 973	\$ 1,306
April	\$ 72	\$ 387	\$ 685	\$ 1,000	\$ 1,335
May	\$ 96	\$ 411	\$ 711	\$ 1,028	\$ 1,363
June	\$ 120	\$ 435	\$ 737	\$ 1,055	\$ 1,392
July	\$ 145	\$ 460	\$ 762	\$ 1,082	\$ 1,421
August	\$ 169	\$ 484	\$ 788	\$ 1,110	\$ 1,450
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October	\$ 217	\$ 533	\$ 840	\$ 1,164	\$ 1,508
November	\$ 241	\$ 557	\$ 866	\$ 1,192	\$ 1,537
December	\$ 265	\$ 582	\$ 891	\$ 1,219	\$ 1,566

NOTES:

1. The amounts indicated above are per ERC. (ERC - 280 gpd)
2. The number of remaining ERC's is 1,827.
3. If the number of remaining ERC's has not connected by December 31, 2003, the maximum charge of \$1,566 remains in effect after December 31, 2003.
4. When the number of remaining ERC's have connected, the charge will cease.

Type of Filing: 1998 Rate Case Filing

Effective

Gary R. Moseley
Vice President

RATE SCHEDULE FW (1)

FIRE HYDRANTS, FIRE LINES AND SPRINKLER SYSTEMS

AVAILABILITY:

In the territory served by United Water Florida Inc.

APPLICABILITY:

For private fire lines to customers' facilities in the territory served by United Water Florida Inc.

LIMITATIONS:

This schedule is not applicable to municipal fire hydrants. Subject to all the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: MONTHLY

RATES:

Private Fire Protection

<u>Size of Service Connection</u>	<u>Monthly Rate Per Connection</u>
2"	\$ 6.46
3"	14.55
4"	25.87
6"	58.21
8"	103.45
10"	161.70
12"	232.82

There will be no additional charge for meter heads, hose connections, or hydrants supplied from the service line.

The minimum charge for service under this schedule shall be for a period of one year based on the number of connections at the aforementioned rates.

Type of Filing: 1998 Rate Case Filing

(Continued to Sheet No. 19.1)

Effective: For Service Rendered On
Or After _____

Gray R. Moseley
Vice President