

ORIGINAL

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FLORIDA PUBLIC SERVICE COMMISSION

REGULATORY SERVICE

APPLICATION FOR A  
STAFF ASSISTED RATE CASE

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DIVISION OF  
ECONOMIC REGULATION

I. General Data

A. Name of utility Useppa Utility Company Inc

B. Address P.O. Box 640 Bokeelia Fl 33922

1. Telephone Nos. (239) 283-1061

2. County Lee Nearest City Bokeelia

3. General area served Useppa Island

C. Authority:

1. Water Certificate No. WS249 Date Received 1979

2. Wastewater Certificate No. WS249 Date Received 1980

3. Date utility started operations: Water 1979 Wastewater 1980

D. How system was acquired Purchased

If utility was purchased, give date \_\_\_\_\_ Amount Paid \_\_\_\_\_

1. Name of Seller Useppa Inn and Dock Company, LTD

2. Was seller affiliated with present owners? yes

3. Did you purchase: Stock NO or assets only yes

E. Type of legal entity Corporation Partnership or Sole Proprietorship  
Corporation

F. Ownership & Officers:

Name	Title	Percent Ownership
1. <u>Garfield R. Beckstead</u>	<u>President</u>	<u>100%</u>
2. <u>Timothy Fitzsimmons</u>	<u>CEO</u>	<u>-</u>
3. <u>Vincent Formosa</u>	<u>Vice-President</u>	<u>-</u>
4. _____	_____	_____

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G. List of Associated Companies and Addresses:

1. Useppa Inn + Dock Company
2. P.O. Box 640 Bokeelia FL 33922
3. \_\_\_\_\_

H. If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

II. Accounting Data

A. Outside Accountant

1. Name Ron Harris
2. Firm Welker Harris and Company
3. Address 4575 Via Royale # 218 FT Myers, FL 33919
4. Telephone (239) 278-1003

B. Individual to contact on accounting matters:

1. Name Lou Ann Christensen
2. Telephone (239) 283-1061 Ext. 115

C. Location of books and records Useppa Island

D. Have you filed an Annual Report with the Commission? Yes  
Date Last Filed March 2006

E. Has your latest semiannual regulatory assessment fee payment been made (January 30 or July 30 whichever is applicable)? Yes

F. Basic Rate Base Data (Most recent two years)

1. Water	2004	2005
Cost of Plant In Service:	\$ <u>566,510</u>	\$ <u>578,722</u>
Less Accumulated Depreciation:	<u>245,913</u>	<u>257,876</u>
Less Contributed Plant:	_____	_____
Net Owner's Investment:	\$ <u>320,597</u>	\$ <u>320,846</u>

2. Wastewater	20 <u>04</u>	20 <u>05</u>
Cost of Plant In Service:	\$ <u>459,817-</u>	\$ <u>465,987-</u>
Less Accumulated Depreciation:	<u>247,385-</u>	<u>257,902-</u>
Less Contributed Plant:	<u>                    </u>	<u>                    </u>
New Owner's Investment:	\$ <u>212,432-</u>	\$ <u>208,085-</u>

G. Basic Income Statement (Most recent two years):

1. Water	20 <u>04</u>	20 <u>05</u>
Revenues (By Class):		
a. <u>RESIDENTIAL</u>	\$ <u>158,948-</u>	\$ <u>163,034-</u>
b. <u>                    </u>	<u>                    </u>	<u>                    </u>
c. <u>                    </u>	<u>                    </u>	<u>                    </u>
Total Operating Revenues:	\$ <u>158,948-</u>	\$ <u>163,034-</u>
Less Expenses:		
a. Salaries & Wages - Employees	<u>52,619-</u>	<u>61,176-</u>
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	<u>                    </u>	<u>                    </u>
c. Employee Pensions & Benefits	<u>9,524-</u>	<u>10,649-</u>
d. Purchased Water	<u>                    </u>	<u>                    </u>
e. Purchased Power	<u>19,586-</u>	<u>24,870-</u>
f. Fuel for Power Production	<u>                    </u>	<u>                    </u>
g. Chemicals	<u>4,287-</u>	<u>4,682-</u>
h. Materials & Supplies	<u>11,662-</u>	<u>4,855-</u>
i. Contractual Services	<u>11,410-</u>	<u>6,645-</u>
j. Rents	<u>7,800-</u>	<u>7,800-</u>
k. Transportation Expenses	<u>2,586-</u>	<u>2,282-</u>
l. Insurance Expense	<u>1,891-</u>	<u>1,203-</u>
m. Regulatory Commission Expense	<u>                    </u>	<u>                    </u>
n. Bad Debt Expense	<u>                    </u>	<u>                    </u>
o. Miscellaneous Expense	<u>3,579-</u>	<u>2,315-</u>
p. Depreciation Expense	<u>10,887-</u>	<u>11,963-</u>
q. Property Taxes	<u>                    </u>	<u>                    </u>
r. Other Taxes	<u>24,458-</u>	<u>21,098-</u>
s. Income Taxes	<u>                    </u>	<u>                    </u>
Operating Income (Loss)	\$ <u>&lt;1,341&gt;</u>	\$ <u>3,496</u>

2.	Wastewater	2004	2005
	Revenues (By Class):		
	a. <u>RESIDENTIAL</u>	<u>88,754-</u>	<u>87,006-</u>
	b. _____	_____	_____
	c. _____	_____	_____
	Total Operating Revenues:	\$ <u>88,754-</u>	\$ <u>87,006-</u>
	Less Expenses:		
	a. Salaries & Wages - Employees	\$ <u>52,619-</u>	\$ <u>59,176-</u>
	b. Salaries & Wages - Officers, Directors, & Majority Stockholders	_____	_____
	c. Employee Pensions & Benefits	<u>9,507-</u>	<u>10,383-</u>
	d. Purchased Wastewater Treatment	_____	_____
	e. Sludge Removal Expense	_____	_____
	f. Purchased Power	<u>9,506-</u>	<u>11,859-</u>
	g. Fuel for Power Production	_____	_____
	h. Chemicals	<u>1,941-</u>	<u>3,454-</u>
	i. Materials & Supplies	<u>13,150-</u>	<u>6,278-</u>
	j. Contractual Services	<u>13,549-</u>	<u>12,543-</u>
	k. Rents	<u>7,800-</u>	<u>7,800-</u>
	l. Transportation Expenses	<u>2,813-</u>	<u>5,607-</u>
	m. Insurance Expense	<u>1,890-</u>	<u>1,203-</u>
	n. Regulatory Commission Expense	_____	_____
	o. Bad Debt Expense	_____	_____
	p. Miscellaneous Expense	<u>2,295-</u>	<u>2,351-</u>
	q. Depreciation Expense	<u>10,364-</u>	<u>10,517-</u>
	r. Property Taxes	_____	_____
	s. Other Taxes	<u>22,866-</u>	<u>21,783-</u>
	t. Income Taxes	_____	_____
	Operating Income (Loss)	\$ <u>&lt;59,547&gt;</u>	\$ <u>&lt;65,948&gt;</u>

H. Outstanding Debt:

	Creditor	Date Borrowed	Balance Due	Interest Rate	Expiration Date
1.	<u>USEPPA INN+DOCK</u>	<u>1981-</u>	<u>660,093-</u>	<u>10%</u>	_____
2.	<u>WACHOVIA</u>	<u>1999</u>	<u>79,768-</u>	<u>9%</u>	_____
3.	<u>WACHOVIA</u>	<u>2000</u>	<u>50,780</u>	<u>8%</u>	_____
4.	_____	_____	_____	_____	_____

I. Indicate Type of Tax Return Filed:

- Form 1120 - Corporation  
 Form 1120S - Subchapter S Corporation  
 Form 1065 - Partnership  
 Form 1040 - Schedule C - Individual (Proprietorship)

III. Engineering Data

A. Outside Engineering Consultant:

1. Name \_\_\_\_\_
2. Firm Q. Grady Minor and Associates
3. Address 3800 Via Rey Bonita Springs FL 34134
4. Telephone (239) 947-1144

B. Individual to contact on engineering matters:

1. Name David Schmidt
2. Telephone (239) 947-1144

C. Is the utility under citation by the Department of Environmental Protection (DEP) or county health department? If yes, explain.

NO

D. List any known service deficiencies and steps taken to remedy problems.

Wells need security fences - under construction

E. Name of plant operator (s) and DEP operator certificate number (s) held.

Eric Glidden water 0012872 WW 0012789

F. Is the utility serving customers outside of its certificated area? NO

If yes, explain \_\_\_\_\_

G. Wastewater:

1. Gallons per day capacity of treatment facilities existing 45,000 GPD - Limited to  
under construction 0 proposed 0 20,000 GPD
2. Type and make of present treatment facilities McNeil Company  
Extended Aeration plant with DAUCCO-Defiance surge system
3. Approximate average daily flow of treatment plant effluent \_\_\_\_\_  
11,903 GPD 2005 Yearly Average
4. Approximate length of wastewater mains:  
Size (diameter) 2" 3" 4" 6"  
Linear feet Information not available
5. Number of manholes 3
6. Number of liftstations 25
7. How do you measure treatment plant effluent? Flow meter

8. Is the treatment plant effluent chlorinated? yes If yes, what is the normal dosage rate? 1 - 2.2 mg/L
9. Tap in fees - Wastewater \$ 0
10. Service availability fees - Wastewater \$ 0
11. Note DEP Treatment Plant Certificate Number and date of expiration: Number FLA 014494  
Expiration Date 3/16/2010
12. Total gallons treated during most recent twelve months 4,344,600 Gallons
13. Wastewater treatment purchased during most recent twelve months -

H. Water

1. Gallons per day capacity of treatment facilities existing 0 proposed 0 60,000 → Permitted to under 50,000 Discharge limitation
2. Type of treatment Reverse osmosis
3. Approximate average daily flow of treated water 35,992 GPD 2006 Average
4. Source of water supply Mid-Hawthorne Aquifer - 2 Artesian wells
5. Types of chemicals used and their normal dosage rates Sodium Hypochlorite  
0.8 - 2.0 mg/L
6. Number of wells in service 2 Total capacity in gallons per minute (gpm) 95
- |                     |                  |                  |                |
|---------------------|------------------|------------------|----------------|
| Diameter/Depth      | <u>6" / 340'</u> | <u>6" / 280'</u> | <u>   /   </u> |
| Motor horsepower    | <u>7 1/2 hp</u>  | <u>7 1/2 hp</u>  | <u>   /   </u> |
| Pump capacity (gpm) | <u>95 Gpm</u>    | <u>95 Gpm</u>    | <u>   /   </u> |
7. Reservoirs and/or hydropneumatic tanks:
- |             |                                    |                            |
|-------------|------------------------------------|----------------------------|
| Description | <u>Steel Storage (Glass-fused)</u> | <u>Hydropneumatic Tank</u> |
| Capacity    | <u>100,000</u>                     | <u>1000</u>                |
8. High service pumping:
- |                     |                |                |            |            |
|---------------------|----------------|----------------|------------|------------|
| Motor horsepower    | <u>10 hp</u>   | <u>10 hp</u>   | <u>   </u> | <u>   </u> |
| Pump capacity (gpm) | <u>140 gpm</u> | <u>140 gpm</u> | <u>   </u> | <u>   </u> |
9. How do you measure treatment plant production? Flow meters
10. Approximate feet of water mains:
- |                 |             |             |             |             |
|-----------------|-------------|-------------|-------------|-------------|
| Size (diameter) | <u>2"</u>   | <u>3"</u>   | <u>4"</u>   | <u>1"</u>   |
| Linear feet     | <u>5650</u> | <u>1785</u> | <u>8955</u> | <u>1200</u> |
11. Note any fire flow requirements and imposing government agency  
None
12. Number of fire hydrants in service None

13. Do you have a meter change out program? No - But have started some this Year
14. Meter installation or tap in fees - Water \$ 0
15. Service availability fees - Water \$ 0
16. Has the existing treatment facility been approved by DEP? Yes
17. Total gallons pumped during most recent twelve months ↓ Finished water 13,137,100
18. Total gallons sold during most recent twelve months 12,456,000
19. Gallons unaccounted for during most recent twelve months 681,000 - 119,000 loss due to flushing
20. Gallons purchased during most recent twelve months 0

IV. Rate Data

A. Individual to contact on tariff matters:

1. Name Eric Glidden
2. Telephone Number (239) 283-6078

B. Schedule of present rates (Attach additional sheets if more space is needed):

1. Water:

- a. Residential Water See Attached tariff sheets
- b. General Service \_\_\_\_\_
- c. Special Contract \_\_\_\_\_
- d. Other \_\_\_\_\_

2. Wastewater:

- a. Residential Wastewater See Attached tariff sheets
- b. General Service \_\_\_\_\_
- c. Special Contract \_\_\_\_\_
- d. Other \_\_\_\_\_

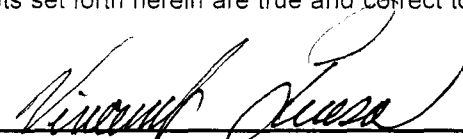
C. Number of Customers (Most recent two years):

	20 <u>05</u>	20 <u>06</u>
1. Water Metered		
a. Residential	<u>142</u>	<u>142</u>
b. General Service	<u>9</u>	<u>9</u>
c. Special Contract	<u>0</u>	<u>0</u>
d. Other - Specify	<u>0</u>	<u>0</u>
2. Water Unmetered		
a. Residential	<u>0</u>	<u>0</u>
b. General Service	<u>0</u>	<u>0</u>
c. Special Contract	<u>0</u>	<u>0</u>
d. Other - Specify	<u>0</u>	<u>0</u>

3. Wastewater	20 <u>05</u>	20 <u>06</u>
a. Residential	<u>135</u>	<u>138</u>
b. General Service	<u>7</u>	<u>7</u>
c. Special Contract	<u>0</u>	<u>0</u>
d. Other - Specify	<u>0</u>	<u>0</u>

V. Affirmation

I, VINCENT FORMOSA the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge and belief.

Signed   
 Title VICE PRESIDENT

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.