



July 28, 2014

By Federal Express

Ms. Ann Cole  
Division of the Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

RECEIVED - FPSC  
14 JUL 29 PM 1:17  
COMMISSION  
CLERK

Re: Continental Utility, Inc.  
Notice of Intent to Increase Water and Wastewater Rates Based on 2014 Index Adjustment

Dear Ms. Cole:

On behalf of our client, Continental Utility, Inc., please accept this letter as Notice of Intent to increase water and wastewater rates under the applicable provisions of the Index Provisions Section 367.081(4)(c), F.S. I have enclosed an original and six copies of the accounting schedules showing calculation of the 2014 indexed increase.

In addition, I have enclosed a copy of the Affirmation and Statement of Quality of Service, one copy of the proposed customer notice, and the proposed tariffs.

Continental Utility, Inc. does not have any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Regulation or County Health Department.

Should you have questions regarding this notice of intent or the enclosed documents, please contact me at either 727-791-4020 or by email at [tdesantis@cjnw.net](mailto:tdesantis@cjnw.net)

Very truly yours,

*Anthony DeSantis*

Anthony Q. De Santis  
CJN&W CPAs

Enclosures  
cc: Sammie Hayes

COM \_\_\_\_\_  
AFD 2  
APA 1  
ECO 1  
ENG 1  
GCL 1  
IDM \_\_\_\_\_  
TEL \_\_\_\_\_  
CLK \_\_\_\_\_

AFFIRMATION

I, Sammie Hayes, hereby affirm that the figures and calculations upon which the change in rates is based are accurate and that the change will not cause Continental Utility, Inc. to exceed the range of its last authorized rate of return on equity, which is 13.11 percent.

I, the undersigned/officer of the above-named utility, have read the foregoing and declare that, to the best of my knowledge and belief, the information contained in this Application is true and correct.

This Affirmation is made pursuant to my request for a 2014 price index rate increase in conformance with Section 367.081(4)(c), Florida Statutes.

Further, I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

Sammie Hayes  
Sammie Hayes  
President

Sworn to and subscribed before me this 23<sup>rd</sup> day of July, 2014 by  
Sammie Hayes, who is personally known to me or who has produced  
\_\_\_\_\_ as identification.

My Commission Expires: 6/27/2016



Suzanne Carr  
Notary Public  
State of Florida

SUZANNE CARR  
Printed Name

**Continental Utility, Inc.  
2014 Index Adjustment  
Year Ended December 31, 2013**

Continental Utility, Inc.  
2014 Index Adjustment  
Year Ended December 31, 2013

Line No.		Water	Sewer
1	<u>Index Adjustment</u>		
2	2013 operation and maintenance (O&M) expense	\$ 213,919	\$ 121,612
3	Less: Purchased power	(35,657)	(18,369)
4	2013 O&M expense to be indexed	178,262	103,243
5	2014 Price Deflator Index	1.41%	1.41%
6	Indexed increase in revenue	2,513	1,456
7	Divide by Regulatory Assessment Fee expansion factor	0.955	0.955
8	Total increase in revenue	\$ 2,631	\$ 1,525
9	Divide by 2013 annualized revenue (1) (Sch. No. 2)	\$ 249,750	\$ 252,109
10	Total increase adjustment factor	1.05%	0.60%

11 Notes: (1) Continental Utility last increased its rates per the 2012 Index Adjustment  
12 effective December 29, 2012

13 (2) The applicable DEP ID Nos. and CUP Nos. are as follows:  
14 Water - DEP ID No. 660-2058; CUP No. 202622.04  
15 Sewer - DEP ID No. FLA043699

Continental Utility, Inc.  
 Schedule of Annualized Revenue  
 Year Ended December 31, 2013

Line No.		No. of Bills/Gallons (000)	Present Rates	Annualized Revenue
1	<u>Water</u>			
2	<u>Residential and General Service</u>			
3	Base facility charge			
4	5/8" x 3/4"	11,130	\$ 12.09	\$ 134,562
5	1 1/2"	12	60.51	726
6	2"	24	96.82	2,324
7	3"	12	193.66	2,324
8	6"	-	605.20	-
9	Gallonage Charge	57,422	1.85	<u>106,231</u>
10	Total residential and general service revenue			<u>246,167</u>
11	<u>Private Fire Protection</u>			
12	Base facility charge			
13	2"	12	32.27	387
14	3"	12	64.55	775
15	6"	12	201.75	<u>2,421</u>
16	Total private fire protection revenue			<u>3,583</u>
17	Total annualized water revenue			<u>\$ 249,750</u>

Continental Utility, Inc.  
 Schedule of Annualized Revenue  
 Year Ended December 31, 2013

Line No.		No. of Bills/Gallons (000)	Present Rates	Annualized Revenue
1	<u>Sewer</u>			
2	<u>Residential</u>			
3	Base facility charge			
4	All meter sizes	10,950	\$ 10.19	\$ 111,581
5	Gallonage Charge	32,403	3.09	<u>100,125</u>
6	Total residential revenue			<u>211,706</u>
7	<u>General Service</u>			
8	Base facility charge			
9	5/8" x 3/4"	180	10.19	1,834
10	1 1/2"	12	50.96	612
11	2"	25	81.56	2,039
12	3"	24	163.12	3,915
13	6"	12	509.82	6,118
14	Gallonage Charge per 1,000 gallons	7,015	3.69	<u>25,885</u>
15	Total general service revenue			<u>40,403</u>
16	Total annualized sewer revenue			<u>\$ 252,109</u>

Continental Utility, Inc.  
 Schedule of Present and Proposed Rates  
 Year Ended December 31, 2013

Line No.		Monthly		
		Present Rates	Index Increase	Proposed Rates
1	<u>Water</u>			
2	<u>Water ( 1.05% increase )</u>			
3	<u>Residential and General Service</u>			
4	Base facility charge			
5	5/8" x 3/4"	\$ 12.09	\$ 0.13	\$ 12.22
6	1"	30.27	0.32	30.59
7	1 1/2"	60.51	0.64	61.15
8	2"	96.82	1.02	97.84
9	3"	193.66	2.03	195.69
10	4"	302.59	3.18	305.77
11	6"	605.20	6.35	611.55
12	Gallonage Charge per 1,000 gallons	1.85	0.02	1.87
13	<u>Private Fire Protection</u>			
14	Base facility charge			
15	2"	32.27	0.34	32.61
16	3"	64.55	0.68	65.23
17	4"	100.86	1.06	101.92
18	6"	201.75	2.12	203.87
19	<u>Sewer</u>			
20	<u>Sewer ( 0.60% increase )</u>			
21	<u>Residential</u>			
22	Base facility charge			
23	All meter sizes	10.19	0.06	10.25
24	Gallonage Charge per 1,000 gallons (Maximum 6,000 gallons)	3.09	0.02	3.11
25	<u>General Service</u>			
26	Base facility charge			
27	5/8" x 3/4"	10.19	0.06	10.25
28	1"	25.49	0.15	25.64
29	1 1/2"	50.96	0.31	51.27
30	2"	81.56	0.49	82.05
31	3"	163.12	0.98	164.10
32	4"	254.86	1.53	256.39
33	6"	509.82	3.06	512.88
34	Gallonage Charge per 1,000 gallons	3.69	0.02	3.71

## NOTICE TO CUSTOMERS

Under the provisions of Section 367.081(4) (a), Florida Statutes investor-owned water and sewer utilities are permitted to adjust their rates annually based on inflation to its customers without those customers bearing the additional expense of a public hearing. These adjustments in rates depend on increases or decreases in non-controllable expenses subject to inflationary pressures such as chemicals, and other general operation and maintenance costs.

On July 29, 2014, Continental Utility, Inc., filed its Notice of Intention with the Florida Public Service Commission to increase water and wastewater rates in Sumter County pursuant to this Statute. The filing is subject to review by the Commission Staff for accuracy and completeness. Water and private fire protection rates will increase by 1.05% and wastewater rates will increase by 0.60%. These rates should be reflected on your bill for service rendered on and after September 27, 2014.

If you have any questions, please contact the local utility office. Be sure to have your account number handy for quick response.

CONTINENTAL UTILITY, INC.  
50 Continental Blvd.  
Wildwood, FL 34785



STATEMENT OF QUALITY OF SERVICE

Pursuant to Rule 25-30.420(2)(h) and (i), Florida Administrative Code,

Continental Utility, Inc.

[ X ] does not have any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Protection (DEP) or the County Health Departments.

[ ] does have the attached active written complaint(s), corrective order(s), consent order(s), or outstanding citation(s) with the DEP or the County Health Department(s). The attachment(s) includes the specific system(s) involved with DEP permit number and the nature of the active complaint, corrective order, consent order, or outstanding citation.

This statement is intended such that the Florida Public Service Commission can make a determination of quality of service to Section 367.081(4)(a), Florida Statutes, and Rule 25-30.420(4)(a), Florida Administrative Code.

Name: Sammie Hayes  
Title: President  
Telephone Number: 352-748-0100  
Fax Number: 352-748-6450  
Date: July 23, 2014

CONTINENTAL UTILITY, INC.  
WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY Available throughout the area served by the Company.

APPLICABILITY For water service to all customers for which no other schedule applies.

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

BILLING PERIOD - Monthly

<u>RATE</u>	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8 X 3/4"	\$ 12.22
	1"	30.59
	1 1/2 "	61.15
	2"	97.84
	3"	195.69
	4"	305.77
	6"	611.55

GALLONAGE CHARGE (Per 1,000 Gallons) \$ 1.87

MINIMUM CHARGE Applicable Base Facility Charge, per month.

TERMS OF PAYMENT Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the Customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE SEPTEMBER 27, 2014

TYPE OF FILING 2014 PRICE INDEX ADJUSTMENT

Sammie Hayes  
ISSUING OFFICER  
President  
TITLE

CONTINENTAL UTILITY, INC.  
WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY Available throughout the area served by the Company.

APPLICABILITY For water service for all purposes in private residences and individually metered apartment units.

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

BILLING PERIOD - Monthly

<u>RATE</u>	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8 X 3/4"	\$ 12.22
	1"	30.59
	1 1/2 "	61.15
	2"	97.84
	3"	195.69
	4"	305.77
	6"	611.55

GALLONAGE CHARGE (Per 1,000 Gallons) \$ 1.87

MINIMUM CHARGE Applicable Base Facility Charge, per month.

TERMS OF PAYMENT Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the Customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE SEPTEMBER 27, 2014

TYPE OF FILING 2014 PRICE INDEX ADJUSTMENT

Sammie Hayes  
ISSUING OFFICER  
President  
TITLE

CONTINENTAL UTILITY, INC.  
WATER TARIFF

FIRE PROTECTION CHARGES

RATE SCHEDULE RS

AVAILABILITY Available throughout the area served by the Company.

APPLICABILITY For all private fire protection systems connected to the Utility that benefit an individual property or complex.

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

BILLING PERIOD - Monthly

RATE PRIVATE FIRE CONNECTION:

2.0" Connection	\$	32.61
3.0" Connection		65.23
4.0" Connection		101.92
6.0" Connection		203.87

MINIMUM CHARGE Applicable Charge per month.

TERMS OF PAYMENT Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the Customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE SEPTEMBER 27, 2014

TYPE OF FILING 2014 PRICE INDEX ADJUSTMENT

Sammie Hayes  
ISSUING OFFICER  
President  
TITLE

CONTINENTAL UTILITY, INC.  
WASTEWATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY Available throughout the area served by the Company.

APPLICABILITY For wastewater service to all customers for which no other schedule applies.

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

BILLING PERIOD - Monthly

<u>RATE</u>	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8 X 3/4"	\$ 10.25
	1"	25.64
	1 1/2 "	51.27
	2"	82.05
	3"	164.10
	4"	256.39
	6"	512.88

GALLONAGE CHARGE (Per 1,000 Gallons) \$ 3.71

MINIMUM CHARGE Applicable Base Facility Charge, per month.

TERMS OF PAYMENT Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the Customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE SEPTEMBER 27, 2014

TYPE OF FILING 2014 PRICE INDEX ADJUSTMENT

Sammie Hayes  
ISSUING OFFICER  
President  
TITLE

CONTINENTAL UTILITY, INC  
WASTEWATER TARIFF

RESIDENTIAL SERVICE

WATER

<u>AVAILABILITY</u>	Available throughout the area served by the Company.	
<u>APPLICABILITY</u>	For wastewater service to all purposes in private residences and individually metered apartment units.	
<u>LIMITATIONS</u>	Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.	
<u>BILLING PERIOD</u> -	Monthly	
<u>RATE</u>	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8 X 3/4"	\$ 10.25
<u>GALLONAGE CHARGE</u>	(Per 1,000 Gallons) (Maximum 6,000 Gallons)	\$ 3.11
<u>MINIMUM CHARGE</u>	Applicable Base Facility Charge, per month.	
<u>TERMS OF PAYMENT</u>	Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice is mailed to the Customer separate and apart from any other bill, service may then be discontinued.	
<u>EFFECTIVE DATE</u>	SEPTEMBER 27, 2014	
<u>TYPE OF FILING</u>	2014 PRICE INDEX ADJUSTMENT	

Sammie Hayes  
ISSUING OFFICER  
President  
TITLE