

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

(Gross Revenue of Less Than \$200,000 Each)

ANNUAL REPORT

OF

SU287-05-AR
Kevin J. Cherry
Environmental Protection Systems of Pine Island, Inc.
3039 York Road
St. James City, FL 33956-2303

Submitted To The

STATE OF FLORIDA



03 APR -3 PM 12:27
ECONOMIC REGULATION

03 APR -3 PM 12:27

STATE OF FLORIDA
PUBLIC SERVICE
COMMISSION

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

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FINANCIAL SECTION

REPORT OF

ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND, INC
(EXACT NAME OF UTILITY)

<u>3039 YORK ROAD</u> <u>ST. JAMES CITY, FL 33956</u>	<u>LEE</u>
Mailing Address	Street Address County

Telephone Number 239-283-1144 Date Utility First Organized 3/29/69

Fax Number 239-283-4029 E-mail Address Cherry ESTATES@AOL.COM

Sunshine State One-Call of Florida, Inc. Member No. _____

Check the business entity of the utility as filed with the Internal Revenue Service:

Individual Sub Chapter S Corporation 1120 Corporation Partnership

Name, Address and Phone where records are located: Cherry ESTATES INC 239-283-1144
3039 YORK RD SJC FL 33956

Name of subdivisions where services are provided: Cherry ESTATES

CONTACTS

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: <u>KEVIN J CHERRY</u>	<u>PRESIDENT</u>	<u>SAME AS ABOVE</u>	
Person who prepared this report: <u>JOHN USTICA</u> <u>SUE HOPPER</u>	<u>CPA</u> <u>SECRETARY</u>	<u>9280-5 COLLEGE PKWY</u> <u>FT. MYERS, FL 33939</u> <u>3039 YORK RD</u> <u>SJC, FL 33956</u>	
Officers and Managers: <u>KEVIN J CHERRY</u> <u>SUSAN D HOPPER</u>	<u>PRESIDENT</u> <u>SECRETARY</u>	<u>SAME AS ABOVE</u>	\$ <u>30918</u> \$ <u>30918</u> \$ _____ \$ _____ \$ _____

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principal Business Address	Salary Charged Utility
<u>KEVIN J Cherry</u>	<u>40.86</u>	<u>SAME AS ABOVE</u>	\$ <u>—</u>
<u>SUSAN D HOPPER</u>	<u>33.16</u>	<u>" "</u>	\$ <u>—</u>
<u>RICHARD G Cherry</u>	<u>25.98</u>	<u>" "</u>	\$ <u>—</u>
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF
PINE ISLAND, IN C.

YEAR OF REPORT
 DECEMBER 31, 2005

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		\$ _____	\$ <u>240342</u>	\$ _____	\$ <u>240342</u>
Commercial -----		_____	<u>7250</u>	_____	<u>7250</u>
Industrial -----		_____	_____	_____	_____
Multiple Family -----		_____	_____	_____	_____
Guaranteed Revenues -----		_____	_____	_____	_____
Other (Specify) -----		_____	_____	_____	_____
Total Gross Revenue -----		\$ _____	\$ <u>247592</u>	\$ _____	\$ <u>247592</u>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ _____	\$ <u>163602</u>	\$ _____	\$ <u>163602</u>
Depreciation Expense -----	F-5	_____	<u>42641</u>	_____	<u>42641</u>
CIAC Amortization Expense -----	F-8	_____	<u>(7541)</u>	_____	<u>(7541)</u>
Taxes Other Than Income -----	F-7	_____	<u>11292</u>	_____	<u>11292</u>
Income Taxes -----	F-7	_____	_____	_____	_____
Total Operating Expense -----		\$ _____	<u>209994</u>	_____	\$ <u>209994</u>
Net Operating Income (Loss)		\$ _____	\$ <u>37598</u>	\$ _____	\$ <u>37598</u>
Other Income:					
Nonutility Income -----		\$ _____	\$ _____	\$ _____	\$ _____
<u>DISCOUNT</u>		_____	<u>8</u>	_____	<u>8</u>
<u>INTEREST</u>		_____	<u>449</u>	_____	<u>449</u>
Other Deductions:					
Miscellaneous Nonutility Expenses -----		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense -----		_____	_____	_____	_____
<u>7.125% LOAN 200,000</u>		_____	<u>14250</u>	_____	<u>14250</u>
<u>LEE COUNTY UTILITY</u>		_____	<u>6395-</u>	_____	<u>6395-</u>
<u>ACCTS REC ADJ</u>		_____	<u>1046-</u>	_____	_____
Net Income (Loss)		\$ _____	\$ <u>16364</u>	\$ _____	\$ <u>16364-</u>

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND INC.

YEAR OF REPORT DECEMBER 31, 2005

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ <u>980,339</u>	\$ <u>560,129</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>260,603</u>	<u>217,962</u>
Net Utility Plant _____		\$ <u>719,736</u>	\$ <u>342,167</u>
Cash _____		<u>80,448</u>	<u>43,839</u>
Customer Accounts Receivable (141) _____		<u>21,953</u>	
Other Assets (Specify): _____	(141)	<u>40,039</u>	<u>31,052</u>
PREPAID INSURANCE			
OTHER CURRENT			
NON-USED CONNECTION FEE		<u>182,173</u>	<u>33,493</u>
NET RATE CASE EXPENSES		<u>22,086</u>	<u>14,950</u>
INTER CO. REC			
Total Assets _____		\$ <u>1,066,435</u>	\$ <u>455,582</u>
Liabilities and Capital:			
Common Stock Issued (201) _____	F-6	<u>500</u>	<u>500</u>
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____		<u>1,868,640</u>	<u>1,868,640</u>
Retained Earnings (215) _____	F-6	<u>(924,730)</u>	<u>(1,088,370)</u>
Proprietary Capital (Proprietary and Partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>948,910</u>	\$ <u>785,270</u>
Long Term Debt (224) _____	F-6	\$ <u>565,498</u>	\$ <u>—</u>
Accounts Payable (231) _____		<u>6098</u>	<u>1500</u>
Notes Payable (232) _____		<u>200,000</u>	<u>200,000</u>
Customer Deposits (235) _____		<u>—</u>	<u>2,807</u>
Accrued Taxes (236) _____			
Other Liabilities (Specify): _____			
INTER COMPANY PAYABLE		<u>128,118</u>	<u>92,227</u>
REGULATORY ASS FEE		<u>4688</u>	<u>10,002</u>
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>67,142</u>	<u>70,519</u>
Total Liabilities and Capital _____		\$ <u>1,066,435</u>	\$ <u>455,582</u>

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND, INC

YEAR OF REPORT
DECEMBER 31, 2005

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other than Reporting Systems	Total
Utility Plant in Service (101)	\$ _____	\$ <u>980339</u>	\$ _____	\$ <u>980339</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ _____	\$ <u>980339</u>	\$ _____	\$ <u>980339</u>

ACCUMULATED DEPRECIATION (A/D) AND AMORTIZATION OF UTILITY PLANT

Account 108	Water	Wastewater	Other than Reporting Systems	Total
Balance First of Year _____	\$ _____	\$ <u>217962</u>	\$ _____	\$ <u>217962</u>
Add Credits During Year:				
Accruals charged to depreciation account _____	\$ _____	\$ <u>42641</u>	\$ _____	\$ <u>42641</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ _____	\$ <u>260603</u>	\$ _____	\$ <u>260603</u>
Deduct Debits During Year:				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ _____	\$ <u>260603</u>	\$ _____	\$ <u>260603</u>

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEM OF PINE ISLAND, INC

YEAR OF REPORT
DECEMBER 31, 2005

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	<u>500</u>	_____
Shares authorized _____	<u>5000</u>	_____
Shares issued and outstanding _____	<u>5000</u>	_____
Total par value of stock issued _____	<u>.10</u>	_____
Dividends declared per share for year _____	<u>- 0 -</u>	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ <u>(108,837)</u>
Changes during the year (Specify): <u>NET INCOME</u>	_____	<u>16364</u>
_____	_____	_____
Balance end of year _____	\$ _____	\$ <u>(92,473)</u>

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____ <u>N/A</u>	\$ _____	\$ _____
Changes during the year (Specify): _____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ <u>N/A</u>

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
<u>LEE COUNTY UTILITIES 4.5%</u>	_____	<u>240</u>	\$ <u>565498</u>
_____	_____	_____	_____
Total _____	_____	_____	\$ <u>565498</u>

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF
PINE ISLAND INC

YEAR OF REPORT
DECEMBER 31, 2005

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	_____	_____	_____	_____
Regulatory assessment fee _____	_____	1142	_____	1142
Other (Specify) <u>CORP</u> _____	_____	150	_____	150
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ _____	\$ <u>11292</u>	\$ _____	\$ <u>11292</u>

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
<u>BATEMAN CONTRACTING</u>	\$ _____	\$ <u>10,024 -</u>	<u>CONSTRUCTION</u>
<u>ISLAN COMPUTER</u>	\$ _____	\$ <u>1565 -</u>	<u>COMPUTER</u>
<u>John Ustica</u>	\$ _____	\$ <u>6900</u>	<u>CPA</u>
<u>SEWER VIEWER</u>	\$ _____	\$ <u>16038 -</u>	<u>TV LINES/REPAIR</u>
<u>SOURCE INC</u>	\$ _____	\$ <u>3127</u>	<u>ENGINEERING</u>
<u>WW WATER SYSTEMS</u>	\$ _____	\$ <u>6784</u>	<u>ENGINEER</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND INC

YEAR OF REPORT
DECEMBER 31, 2005

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ _____	\$ <u>146649</u>	\$ <u>146649</u>
2) Add credits during year _____	\$ _____	\$ <u>4164</u>	\$ <u>4164</u>
3) Total _____	_____	<u>150813</u>	<u>150813</u>
4) Deduct charges during the year _____	_____	<u>-</u>	<u>-</u>
5) Balance end of year _____	_____	<u>150813</u>	<u>150813</u>
6) Less Accumulated Amortization _____	_____	<u>83671</u>	<u>83671</u>
7) Net CIAC _____	\$ _____	\$ <u>67142</u>	\$ <u>67142</u>

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Sub-total _____	_____	\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
<u>SERVICE AVAIL.</u>	<u>3</u>	\$ <u>1388</u>	\$ <u>4164</u>
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____		\$ _____	\$ <u>4164</u>

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ _____	\$ <u>76130</u>	\$ <u>76130</u>
Add Debits During Year: _____	_____	<u>7541</u>	<u>7541</u>
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.) _____	\$ _____	\$ <u>83671</u>	\$ <u>83671</u>

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF DINE ISLAND INC.

YEAR OF REPORT
DECEMBER 31, 2005

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ <u>N/A</u>	<u>100.00</u> %		<u>N/A</u> %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	<u>N/A</u> %
Commission Order Number approving AFUDC rate:	<u>N/A</u>

WATER OPERATING SECTION

Note: This utility is a wastewater only service; therefore, Pages W-1 through W-7 have been omitted from this report.

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEM OF PINE ISLAND INC

YEAR OF REPORT
DECEMBER 31, 2005

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	_____	_____	_____	_____
354	Structures and Improvements_____	94072	_____	_____	94072
355	Power Generation Equipment_____	_____	_____	_____	_____
360	Collection Sewers - Force_____	46324	_____	_____	46324
361	Collection Sewers - Gravity_____	121608	_____	_____	121608
362	Special Collecting Structures_____	_____	_____	_____	_____
363	Services to Customers_____	7920	_____	_____	7920
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	112798	10024	_____	122822
371	Pumping Equipment_____	_____	_____	_____	_____
380	Treatment and Disposal Equipment_____	27425	_____	_____	27425
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	141018	409835	_____	550853
390	Office Furniture and Equipment_____	8964	351	_____	9315
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	_____	_____	_____	_____
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	_____	_____	_____	_____
	Total Wastewater Plant_____	\$ 560129	\$ 420210	\$ _____	\$ 980339 *

* This amount should tie to sheet F-5.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f+g-h=i) (i)
354	Structures and Improvements	40	%	.025 %	\$ 72,536	\$	\$ 2,352	\$ 74,888
355	Power Generation Equipment		%	%				
360	Collection Sewers - Force	27	%	.037 %	31,433		1,714	33,147
361	Collection Sewers - Gravity	40	%	.025 %	79,591		3,040	82,631
362	Special Collecting Structures		%	%				
363	Services to Customers	35	%	.02857 %	5,240		226	5,466
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells	22	%	.045 %	114,74		5,527	170,01
371	Pumping Equipment		%	%				
380	Treatment and Disposal Equipment	40	%	.025 %	6,984		686	7,670
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment	20	%	.05 %	8,506		27,543	36,049
390	Office Furniture and Equipment	6	%	.1667 %	2,198		1,553	3,751
391	Transportation Equipment		%	%				
392	Stores Equipment		%	%				
393	Tools, Shop and Garage Equipment		%	%				
394	Laboratory Equipment		%	%				
395	Power Operated Equipment		%	%				
396	Communication Equipment		%	%				
397	Miscellaneous Equipment		%	%				
398	Other Tangible Plant		%	%				
	Totals				\$ 217,962	\$	\$ 42,641	\$ 260,603 *

* This amount should tie to Sheet F-5.

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS
OF PINNACULAR ISLAND, INC.

YEAR OF REPORT
DECEMBER 31, 2005

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ 15,256
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	67,056
704	Employee Pensions and Benefits	—
710	Purchased Wastewater Treatment	8,145
711	Sludge Removal Expense	1,733
715	Purchased Power	107,699
716	Fuel for Power Production	—
718	Chemicals	2,879
720	Materials and Supplies	—
730	Contractual Services:	
	Billing	—
	Professional	6,922
	Testing	1,125
	Other	5,517
740	Rents	10,000
750	Transportation Expense	—
755	Insurance Expense	2,990
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	11,407
770	Bad Debt Expense	—
775	Miscellaneous Expenses	19,803
	Total Wastewater Operation And Maintenance Expense	\$ 163,602 *

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service	D	1.0	458	461	461
All meter sizes					
General Service					
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0	1	1	5
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
Unmetered Customers Other (Specify)					
** D = Displacement C = Compound T = Turbine			Total		
			459	462	466

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND, INC.

YEAR OF REPORT
DECEMBER 31, 2005

PUMPING EQUIPMENT

Lift Station Number	01	02	01	02	01	01
Make or Type and nameplate data on pump	HYDRO 5150301	HYDRO 0-5166	PEARSON 60	BARNES CP 110V	myers	myers
Year installed	1994	1975	1995	1995	2004	2004
Rated capacity						
Size	1 1/2 HP	1 1/2 HP	1/2 HP	1/2 HP	10HP	10HP
Power:						
Electric	x	x	x	x	x	x
Mechanical						
Nameplate data of motor						

SERVICE CONNECTIONS

Size (inches)	4"	3/1"				
Type (PVC, VCP, etc.)	PVC	CLAY				
Average length	25'	15'				
Number of active service connections	461	1				
Beginning of year	458	1				
Added during year	3	0				
Retired during year		0				
End of year	461	1				
Give full particulars concerning inactive connections						

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches)	10"	8"	8"	6"	8"	4"		
Type of main	PVC	PVC	VCP	VCP	PVC			
Length of main (nearest foot)	1993	1707	11291	1350	941	674		
Beginning of year								
Added during year								
Retired during year								
End of year	1993	1707	11291	1350	941	674		

MANHOLES

Size (inches)	48"			
Type of Manhole				
Number of Manholes:				
Beginning of year	40			
Added during year	4			
Retired during year				
End of Year	44			

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND, INC

YEAR OF REPORT
DECEMBER 31, 2005

SYSTEM NAME: _____

TREATMENT PLANT

Manufacturer _____	<u>DEFIANCE</u>		
Type _____	<u>CONTACT STABILIZATION</u>	<u>N/A</u>	<u>AFTER SEPTEMBER</u>
"Steel" or "Concrete" _____	<u>CONCRETE</u>	<u>CLOSED PLANT AND</u>	<u>PURCHASED WASTE WATER</u>
Total Permitted Capacity _____	<u>95,000</u>	<u>TREATMENT</u>	
Average Daily Flow _____	<u>35,268</u>	<u>FROM LEE COUNTY UTILITIES</u>	
Method of Effluent Disposal _____	<u>PERCOLATION/INfiltration</u>		
Permitted Capacity of Disposal _____	<u>95,000</u>		
Total Gallons of Wastewater treated _____	<u>9,863,000</u>		

MASTER LIFT STATION PUMPS

Manufacturer _____	<u>Hydro</u>					
Capacity (GPM's) _____	<u>95,000</u>					
Motor:						
Manufacturer _____	<u>Hydro</u>					
Horsepower _____	<u>1 1/4 H.P.</u>					
Power (Electric or Mechanical) _____	<u>ELECTRICAL</u>					

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>1,387</u>		
February _____	<u>1,568</u>		
March _____	<u>1,749</u>		
April _____	<u>1,077</u>		
May _____	<u>.913</u>		
June _____	<u>1,287</u>		
July _____	<u>1,099</u>		
August _____	<u>.783</u>		
September _____	<u>.604</u>		
October _____	<u>.588</u>		
November _____	<u>.820</u>		
December _____	<u>.998</u>		
Total for year _____	<u>12,873,000</u>		

If Wastewater Treatment is purchased, indicate the vendor: BEGINNING IN SEPTEMBER
WASTEWATER TREATMENT PURCHASED FROM LEE COUNTY UTILITIES.

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF
SYSTEM NAME: PINE ISLAND INC

YEAR OF REPORT
DECEMBER 31, 2005

GENERAL WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present number of ERCs* now being served. 466
2. Maximum number of ERCs* which can be served. AS OF 9/2005 WE PURCHASE OUR WASTEWATER
3. Present system connection capacity (in ERCs*) using existing lines. w/ capacity for entire
4. Future connection capacity (in ERCs*) upon service area buildout. BUILD OUT
5. Estimated annual increase in ERCs*. 2
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
REFURBISH #2 LIFT STATION - COMPLETION FALL 2006
REMOVAL - OLD TREATMENT SYSTEM FALL WINTER 2006
7. If the utility uses reuse as a means of effluent disposal, provide a list of the reuse end users and the amount of reuse provided to each, if known.
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? No
If so, when? _____
9. Has the utility been required by the DEP or water management district to implement reuse? No
If so, what are the utility's plans to comply with this requirement? _____
10. When did the company last file a capacity analysis report with the DEP? JUNE 2002
11. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
12. Department of Environmental Protection ID # FLA014677

* An ERC is determined based on one of the following methods:
(a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of SFR customers for the same period and divide the result by 365 days.
(b) If no historical flow data are available use:
ERC = (Total SFR gallons sold (omit 000)/365 days/280 gallons per day).

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF DINE ISLAND, INC

YEAR OF REPORT
DECEMBER 31, 2005

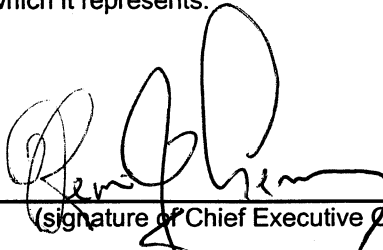
CERTIFICATION OF ANNUAL REPORT

I HEREBY CERTIFY, to the best of my knowledge and belief:

- YES NO 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code.
- YES NO 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.
- YES NO 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.
- YES NO 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents.

Items Certified

1. 2. 3. 4.


(signature of Chief Executive Officer of the utility) *

Date: 3/21/05

1. 2. 3. 4.


(signature of Chief Financial Officer of the utility) *

Date: 3/21/05

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

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.

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Wastewater Operations
Class C**

Company: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND TNC
For the Year Ended December 31, 2005

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. F-3	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 240342	\$ 240342	\$ 0
Commercial	7250	7250	0
Industrial			
Multiple Family			
Guaranteed Revenues			
Other			
Total Wastewater Operating Revenue	\$ 247592	\$ 247592	\$ 0
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	—	—	—
Net Wastewater Operating Revenues	\$ 247592	\$ 247592	\$ 0

Explanations:

Instructions:

For the current year, reconcile the gross wastewater revenues reported on Schedule F-3 with the gross wastewater revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).