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**CLASS "C"**

**WATER AND/OR WASTEWATER UTILITIES**

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

**ANNUAL REPORT**

SU287-06-AR  
Environmental Protection Systems of Pine Island, Inc.  
3039 York Road  
St. James City, FL 33956-2303

2065

Certificate Number(s)

Submitted To The

**STATE OF FLORIDA**



**PUBLIC SERVICE COMMISSION**

FOR THE

**YEAR ENDED DECEMBER 31, 2006**

TABLE OF CONTENTS

FINANCIAL SECTION	PAGE
Identification	F-2
Income Statement	F-3
Comparative Balance Sheet	F-4
Gross Utility Plant	F-5
Accumulated Depreciation and Amortization of Utility Plant	F-5
Capital Stock	F-6
Retained Earnings	F-6
Proprietary Capital	F-6
Long Term Debt	F-6
Tax Expense	F-7
Payment for Services Rendered by Other Than Employees	F-7
Contributions in Aid of Construction	F-8
Cost of Capital Used for AFUDC Calculation	F-9
Capital Structure Adjustments	F-10
WATER OPERATING SECTION	PAGE
Water Utility Plant Accounts	W-1
Analysis of Accumulated Depreciation by Primary Account - Water	W-2
Water Operation and Maintenance Expense	W-3
Water Customers	W-3
Pumping and Purchased Water Statistics and Mains	W-4
Wells and Well Pumps, Reservoirs, and High Service Pumping	W-5
Sources of Supply and Water Treatment Facilities	W-6
General Water System Information	W-7
WASTEWATER OPERATING SECTION	PAGE
Wastewater Utility Plant Accounts	S-1
Analysis of Accumulated Depreciation by Primary Account - Wastewater	S-2
Wastewater Operation and Maintenance Expense	S-3
Wastewater Customers	S-3
Pumping Equipment, Service Connections, Collecting and Force Mains and Manholes	S-4
Treatment Plant, Master Lift Station Pumps and Pumping Wastewater Statistics	S-5
General Wastewater System Information	S-6
VERIFICATION SECTION	PAGE
Verification	V-1

# **FINANCIAL SECTION**



UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS  
OF PINE ISLAND, INC

YEAR OF REPORT  
 DECEMBER 31, 2006

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential -----		\$ _____	\$ <u>221,992</u>	\$ _____	\$ <u>221,993</u>
Commercial -----		_____	<u>5,725</u>	_____	<u>5,725</u>
Industrial -----		_____	_____	_____	_____
Multiple Family -----		_____	_____	_____	_____
Guaranteed Revenues -----		_____	_____	_____	_____
Other (Specify) -----		_____	<u>3,097</u>	_____	<u>3,097</u>
Total Gross Revenue -----		\$ _____	\$ <u>230,815</u>	\$ _____	\$ <u>230,815</u>
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ _____	\$ <u>154,240</u>	\$ _____	\$ <u>154,240</u>
Depreciation Expense	F-5	_____	<u>39,960</u>	_____	<u>39,960</u>
<del>LOSS OF EARLY RETIREMENT</del>		_____	<u>5,906</u>	_____	<u>5,906</u>
CIAC Amortization Expense	F-8	_____	<u>(6,931)</u>	_____	<u>(6,931)</u>
Taxes Other Than Income	F-7	_____	<u>10,537</u>	_____	<u>10,537</u>
Income Taxes -----	F-7	_____	_____	_____	_____
Total Operating Expense		\$ _____	<u>203,712</u>	_____	\$ <u>203,712</u>
Net Operating Income (Loss)		\$ _____	\$ <u>27,103</u>	\$ _____	\$ <u>27,103</u>
Other Income:					
Nonutility Income <u>INTEREST</u>		\$ _____	\$ <u>114</u>	\$ _____	\$ <u>114</u>
Other Deductions:					
Miscellaneous Nonutility Expenses <u>REFUNDS WOTEL LEAS</u>		\$ _____	\$ <u>230</u>	\$ _____	\$ <u>230</u>
Interest Expense		_____	_____	_____	_____
<u>CHERRY &amp; EDGAR</u>		_____	<u>14,250</u>	_____	<u>14,250</u>
<u>LEE COUNTY WATER</u>		_____	<u>25,015</u>	_____	<u>25,015</u>
Net Income (Loss)		\$ _____	\$ <u>(12,338)</u>	\$ _____	\$ <u>(12,338)</u>

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND INC

YEAR OF REPORT  
DECEMBER 31, 2006

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
<b>Assets:</b>			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ <u>866771</u>	\$ <u>980339</u>
Accumulated Depreciation and Amortization (108) _____	F-5,W-2,S-2	<u>218005</u>	<u>260603</u>
Net Utility Plant _____		\$ <u>648766</u>	\$ <u>719736</u>
Cash _____		<u>41014</u>	<u>80448</u>
Customer Accounts Receivable (141) _____		<u>23793</u>	<u>21953</u>
Other Assets (Specify): _____		<u>54350</u>	<u>40039</u>
_____		<u>182173</u>	<u>182173</u>
_____		<u>6572</u>	<u>22086</u>
_____		<u>53153</u>	
Total Assets _____		\$ <u>1009821</u>	\$ <u>1066435</u>
<b>Liabilities and Capital:</b>			
Common Stock Issued (201) _____	F-6	<u>500</u>	<u>500</u>
Preferred Stock Issued (204) _____	F-6		
Other Paid in Capital (211) _____		<u>186864</u>	<u>186864</u>
Retained Earnings (215) _____	F-6	<u>(104811)</u>	<u>(92473)</u>
Proprietary Capital (Proprietary and Partnership only) (218) _____	F-6		
Total Capital _____		\$ <u>82553</u>	\$ <u>94891</u>
Long Term Debt (224) _____	F-6	\$ <u>747306</u>	\$ <u>565498</u>
Accounts Payable (231) _____			<u>6098</u>
Notes Payable (232) _____			<u>200000</u>
Customer Deposits (235) _____			
Accrued Taxes (236) _____			
Other Liabilities (Specify) _____			
<u>INTER-CO PAYABLE</u>		<u>121147.</u>	<u>128118</u>
<u>REG ASS FEE</u>		<u>4704</u>	<u>4688</u>
Advances for Construction _____			
Contributions in Aid of Construction - Net (271-272) _____	F-8	<u>54111</u>	<u>67142</u>
Total Liabilities and Capital _____		\$ <u>1009821</u>	\$ <u>1066435</u>

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND INC.

YEAR OF REPORT  
DECEMBER 31, 2006

**GROSS UTILITY PLANT**

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other than Reporting Systems	Total
Utility Plant in Service (101)	\$ _____	\$ <u>866771</u>	\$ _____	\$ <u>866771</u>
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ _____	\$ <u>866771</u>	\$ _____	\$ <u>866771</u>

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

Account 108	Water	Wastewater	Other than Reporting Systems	Total
Balance First of Year _____	\$ _____	\$ <u>260603</u>	\$ _____	\$ <u>260603</u>
<b>Add Credits During Year:</b>				
Accruals charged to depreciation account _____	\$ _____	\$ <u>39960</u>	\$ _____	\$ <u>39960</u>
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ _____	\$ <u>300563</u>	\$ _____	\$ <u>300563</u>
<b>Deduct Debits During Year:</b>				
Book cost of plant retired _____	\$ _____	\$ <u>82558</u>	\$ _____	\$ <u>82558</u>
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ _____	\$ <u>218005</u>	\$ _____	\$ <u>218005</u>

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS  
OF PINE ISLAND INC.

YEAR OF REPORT  
DECEMBER 31, 2006

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>(92474)</u>
Changes during the year (Specify): _____ _____	_____ _____	<u>(12337)</u> _____
Balance end of year _____	\$ _____	\$ <u>(104811)</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>Issue 9/05 mat 8/05 LEECOUNTY UTILITIES</u>	<u>4.5%</u>	<u>228</u>	\$ <u>547306-</u>
<u>NOTE PAYABLE CHELLY &amp; EDGAR 8/04</u>	<u>7.125</u>	<u>INT ONLY</u>	<u>200 000</u>
Total _____			\$ <u>747306</u>



UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND INC

YEAR OF REPORT  
DECEMBER 31, 2006

**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 _____	_____	<u>10387</u>	_____	<u>10387</u>
Other (Specify) <u>CORPORATION</u> _____	_____	<u>150</u>	_____	<u>150</u>
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ _____	\$ <u>10537</u>	\$ _____	\$ <u>10537</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>ARDAMAN &amp; ASSOC</u>	\$ _____	\$ <u>1497</u>	<u>ENGINEERS-</u>
<u>HONE SEDGE/GRADING</u>	\$ _____	\$ <u>23950</u>	<u>DEMOLITION</u>
<u>USICA JOHN</u>	\$ _____	\$ <u>14400</u>	<u>CPA</u>
<u>ISLAND COMPUTER</u>	\$ _____	\$ <u>1273</u>	<u>COMPUTER</u>
<u>SANDERS LAB</u>	\$ _____	\$ <u>631</u>	<u>LAB</u>
<u>WW WATER SYSTEMS</u>	\$ _____	\$ <u>3585</u>	<u>ENGINEER</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: ENVIRONMENTAL PROTECTION

YEAR OF REPORT  
DECEMBER 31, 2006

**CONTRIBUTIONS IN AID OF CONSTRUCTION ( 271 )**

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ _____	\$ <u>150813</u>	\$ <u>150813</u>
2) Add credits during year _____	\$ _____	\$ <u>e</u>	\$ <u>e</u>
3) Total _____	_____	<u>150813</u>	<u>150813</u>
4) Deduct charges during the year _____	_____	<u>12200</u>	<u>12200</u>
5) Balance end of year _____	_____	<u>138613</u>	<u>138613</u>
6) Less Accumulated Amortization _____	_____	<u>84502</u>	<u>84502</u>
7) Net CIAC _____	\$ _____	\$ <u>54111</u>	\$ <u>54111</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		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ _____	\$ <u>e</u>

**ACCUMULATED AMORTIZATION OF CIAC (272)**

	Water	Wastewater	Total
Balance First of Year _____	\$ _____	\$ <u>83671</u>	\$ <u>83671</u>
Add Debits During Year: _____	_____	<u>6731</u>	<u>6731</u>
Deduct Credits During Year: _____	_____	<u>6100</u>	<u>6100</u>
Balance End of Year (Must agree with line #6 above.) _____	\$ _____	\$ <u>84502</u>	\$ <u>84502</u>

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

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND INC.

YEAR OF REPORT  
DECEMBER 31, 2006

**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: EPS OF PINE ISLAND TNC

YEAR OF REPORT  
DECEMBER 31, 2006

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	<u>94072</u>	_____	<u>94072</u>	<u>0</u>
355	Power Generation Equipment	_____	_____	_____	_____
360	Collection Sewers - Force	<u>46324</u>	_____	_____	<u>46324</u>
361	Collection Sewers - Gravity	<u>121608</u>	_____	_____	<u>121608</u>
362	Special Collecting Structures	_____	_____	_____	_____
363	Services to Customers	<u>7920</u>	_____	_____	<u>7920</u>
364	Flow Measuring Devices	_____	_____	_____	_____
365	Flow Measuring Installations	_____	_____	_____	_____
370	Receiving Wells	<u>122822</u>	<u>7929</u>	_____	<u>130751</u>
371	Pumping Equipment	_____	_____	_____	_____
380	Treatment and Disposal Equipment	<u>27425</u>	_____	<u>27425</u>	<u>0</u>
381	Plant Sewers	_____	_____	_____	_____
382	Outfall Sewer Lines	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment	<u>550853</u>	_____	_____	<u>550853</u>
390	Office Furniture and Equipment	<u>9315</u>	_____	_____	<u>9315</u>
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	\$ <u>980339</u>	\$ <u>7929</u>	\$ <u>121497</u>	\$ <u>866771</u> *

\* This amount should tie to sheet F-5.



UTILITY NAME: EPS OF PINE ISLAND, INC

YEAR OF REPORT  
DECEMBER 31, 2006

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 %	\$ 74888	\$ 74888	\$ 0	\$ 0
355	Power Generation Equipment		%					
360	Collection Sewers - Force	27	%	.027	23147		1714	3486
361	Collection Sewers - Gravity	40	%	.025	22631		2040	85671
362	Special Collecting Structures		%					
363	Services to Customers	25	%	.0257	5466		226	5692
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells	22	%	.045	17001		5884	22885
371	Pumping Equipment		%					
380	Treatment and Disposal Equipment	40	%	.025	7670	7670	0	0
381	Plant Sewers		%					
382	Outfall Sewer Lines		%					
389	Other Plant and Miscellaneous Equipment	20	%	.05	36049		27543	63592
390	Office Furniture and Equipment	6	%	.1667	3751		1553	5304
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				\$ 260603	\$ (82558)	\$ 37960	\$ 218005*

\* This amount should tie to Sheet F-5.

UTILITY NAME: ERS OF PINE ISLAND TNC

YEAR OF REPORT  
DECEMBER 31, 2006

**WASTEWATER OPERATION AND MAINTENANCE EXPENSE**

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$ <u>6213</u>
703	Salaries and Wages - Officers, Directors, and Majority Stockholders	<u>67056</u>
704	Employee Pensions and Benefits	—
710	Purchased Wastewater Treatment	<u>32478</u>
711	Sludge Removal Expense	<u>100</u>
715	Purchased Power	<u>5648</u>
716	Fuel for Power Production	—
718	Chemicals	—
720	Materials and Supplies	—
730	Contractual Services:	
	Billing	—
	Professional	<u>7623</u>
	Testing	<u>631</u>
	Other	<u>3435</u>
740	Rents	<u>6421</u>
750	Transportation Expense	—
755	Insurance Expense	<u>3413</u>
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	<u>7886</u>
770	Bad Debt Expense	—
775	Miscellaneous Expenses	<u>13,335</u>
	Total Wastewater Operation And Maintenance Expense	\$ <u>154240</u> *

\* 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					
All meter sizes	D	1.0	<u>461</u>	<u>461</u>	<u>461</u>
General Service					
5/8"	D	1.0	—	—	—
3/4"	D	1.5	—	—	—
1"	D	2.5	—	—	—
1 1/2"	D,T	5.0	<u>1</u>	<u>1</u>	<u>5</u>
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			<u>462</u>	<u>462</u>	<u>466</u>
Total			<u>462</u>	<u>462</u>	<u>466</u>

UTILITY NAME: EDS OF DINE ISLAND JINC

YEAR OF REPORT  
DECEMBER 31, 2006

**PUMPING EQUIPMENT**

Lift Station Number	<u>01</u>	<u>02</u>	<u>01</u>	<u>02</u>	<u>01</u>	<u>01</u>
Make or Type and nameplate data on pump	<u>HYDRO 5150-740</u>	<u>HYDRO 0-516</u>	<u>PEABODY 60</u>	<u>BARNES C/C110V</u>	<u>MYERS</u>	<u>MYERS</u>
Year installed	<u>1974</u>	<u>1975</u>	<u>1995</u>	<u>1995</u>	<u>2004</u>	<u>2004</u>
Rated capacity						
Size	<u>1 1/2 HP</u>	<u>1 1/2 HP</u>	<u>1/2 HP</u>	<u>1/2 HP</u>	<u>10 HP</u>	<u>10 HP</u>
Power:						
Electric	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
Mechanical						
Nameplate data of motor						

**SERVICE CONNECTIONS**

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

**COLLECTING AND FORCE MAINS**

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

**MANHOLES**

Size (inches)	<u>48"</u>			
Type of Manhole				
Number of Manholes:				
Beginning of year	<u>44</u>			
Added during year				
Retired during year				
End of Year	<u>44</u>			

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS  
OF PINE ISLAND INC

YEAR OF REPORT  
 DECEMBER 31, 2006

**TREATMENT PLANT**

Manufacturer _____	<u>Ø</u>	_____	_____
Type _____	_____	_____	_____
"Steel" or "Concrete" _____	_____	_____	_____
Total Permitted Capacity _____	_____	_____	_____
Average Daily Flow _____	_____	_____	_____
Method of Effluent Disposal _____	_____	_____	_____
Permitted Capacity of Disposal _____	_____	_____	_____
Total Gallons of Wastewater treated _____	_____	_____	_____

**MASTER LIFT STATION PUMPS**

Manufacturer _____	<u>Ø</u>	_____	_____	_____	_____	_____
Capacity (GPM's) _____	_____	_____	_____	_____	_____	_____
Motor:	_____	_____	_____	_____	_____	_____
Manufacturer _____	_____	_____	_____	_____	_____	_____
Horsepower _____	_____	_____	_____	_____	_____	_____
Power (Electric or Mechanical) _____	_____	_____	_____	_____	_____	_____

**PUMPING WASTEWATER STATISTICS**

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	<u>1,388</u>	_____	_____
February _____	<u>1,210</u>	_____	_____
March _____	<u>1,441</u>	_____	_____
April _____	<u>1,213</u>	_____	_____
May _____	<u>7799</u>	_____	_____
June _____	<u>496</u>	_____	_____
July _____	<u>582</u>	_____	_____
August _____	<u>557</u>	_____	_____
September _____	<u>558</u>	_____	_____
October _____	<u>635</u>	_____	_____
November _____	<u>817</u>	_____	_____
December _____	<u>921</u>	_____	_____
Total for year _____	<u>10,587,000</u>	_____	_____

If Wastewater Treatment is purchased, indicate the vendor: WASTE WATER TREATMENT  
PURCHASED FROM LEE COUNTY UTILITY/

UTILITY NAME: ENVIRONMENTAL PROTECTION SYSTEMS OF PINNACLES INC.  
SYSTEM NAME: \_\_\_\_\_

YEAR OF REPORT  
DECEMBER 31, 2006

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. WE PURCHASE WASTEWATER w/ capacity for ENTIRE BUILD OUT
3. Present system connection capacity (in ERCs\*) using existing lines. \_\_\_\_\_
4. Future connection capacity (in ERCs\*) upon service area buildout. WE PURCHASE WASTEWATER w/ CAPACITY FOR ENTIRE BUILDOUT
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 LIQUIDATION / COMPLETION OF TELEMETRY SYSTEM FOR HP STATION 1 & 2.
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 # FLB 014677

\* 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).

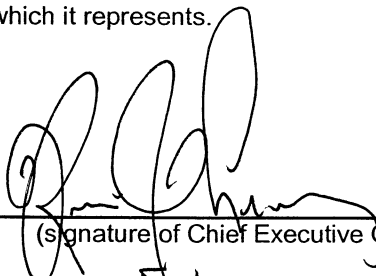
# CERTIFICATION OF ANNUAL REPORT

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: 3/21/07

1.  2.  3.  4.



(signature of Chief Financial Officer of the utility) \*

Date: 3/21/07

\* 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 INC**  
For the Year Ended December 31, **2006**

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. F-3	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Residential	\$ 221,993	\$ 221,992	\$ _____
Commercial	5,725	5,725	_____
Industrial	_____	_____	_____
Multiple Family	_____	_____	_____
Guaranteed Revenues	_____	_____	_____
Other	3,097	3,097	_____
<b>Total Wastewater Operating Revenue</b>	<b>\$ 230,815</b>	<b>\$ 230,815</b>	<b>\$ _____</b>
<b>LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility</b>	_____	_____	_____
<b>Net Wastewater Operating Revenues</b>	<b>\$ 230,815</b>	<b>\$ 230,815</b>	<b>\$ _____</b>

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).