

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

(Gross Revenue of Less Than \$150,000 Each)

ANNUAL REPORT

WS719
C.F.A.T. H2O, Inc.
P. O. Box 5220
Ocala, FL 34478-5220

42

552-W 481-S

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1998

OFFICIAL COPY
DIVISION OF
WATER AND SEWER
Do Not Remove from this Office

RECEIVED

MAR 22 1999

Florida Public Service Commission
Division of Water and Wastewater

C.F.A.T. H2o, INC.

TABLE OF CONTENTS

Financial Section	Page
Identification	F-2
Income Statement	F-3
Balance Sheet	F-4
Net 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-7
Taxes Accrued	F-7
Payment for Services Rendered by Other Than Employees	F-8
Contributions in Aid of Construction	F-9
Cost of Capital Used for AFUDC Calculation	F-9
AFUDC 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
Pumping and Purchase Water Statistics and Mains	W-4
Wells and Well Pumps, Reservoirs, and High Service Pumping	W-5
Other Water System Information	W-6

Wastewater Operating Section	Page
Wastewater Utility Plant Accounts	S-1
Analysis of Accumulated Depreciation by Primary Acct. - Wastewater	S-2
Wastewater Operation and Maintenance Expense	S-3
Wastewater Customers	S-3
Pumping Equipment, Collecting and Force Mains and Manholes	S-4
Other Wastewater System Information	S-5

Verification Section	Page
Verification	V-1

C.F.A.T.H2o, INC.

FINANCIAL SECTION

REPORT OF

CFAT H2O, INC.
PO BOX 5220
OCALA, FL 34478-5220

1732 NE 25th Ave MARION COUNTY

Telephone Number 352-622-4949

Date Utility First Organized

May-94

Filed with the Internal Revenue Service as 1120 Corporation

Name, Address and phone where records are located 1732 NE 25th Ave Ocala, FL

Florida (352) 622-4949 c/o Tradewinds Utilities, Inc.

Subdivision where service is provided: **Landfair and Hilltop Manor**

CONTACTS

Name	Title	Principal Business Address	Salary Charged
Person to send Correspondence Charles deMenzes	Manager		0
		P.O. Box 5220 Ocala, FI 34478	
Person who prepared this report Charles deMenzes	Manager		0
		P.O. Box 5220 Ocala, FI 34478	
Officers and Managers Ronald S. Chase John Fannon Charles deMenzes	President Vice Pres Manager		0
		P.O. Box 5220 Ocala, FI 34478	
		P.O. Box 5220 Ocala, FI 34478	
		P.O. Box 5220 Ocala, FI 34478	

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 of Ownership in Utility	Principal Business Address	Salary Charged
Ronald S. Chase	52	P.O. Box 5220 Ocala, FI 34478	0
John Fannon	24	P.O. Box 5220 Ocala, FI 34478	0
Peter Tamburo	24	P.O. Box 5220 Ocala, FI 34478	0

UTILITY NAME CFAT H2O, INC

YEAR OF REPORT December 31, 1998

INCOME STATEMENT

ACCOUNT NAME	REF Page	WATER	WASTEWATER	OTHER	TOTAL COMPANY
Gross Revenue					
Residential		17,209	30,711		47,920
Commercial					
Other (specify)		841	841		1,682
Turn on Charges					
Total Gross Revenue		18,050	31,552		49,602
Operation Expense (Must tie to Pages W-3 & S-3)	W-3 S-3	16,175	22,607		38,782
Depreciation Expense	F-5	3,605	4,087		7,692
Amortization Expense	F-8	(3,105)	(4,337)		(7,442)
Taxes other than Income	F-7	1,534	1,953		3,487
Income Taxes	F-7				
Total Operating Expenses		18,209	24,310		42,519
Net Operating Income (Loss)		(159)	7,242		7,083
Other Income: Non Utility Income					
Other Deductions: Interest Expense		2830	2,830		5,660
Net Income (Loss)		(2,989)	4,412		1,423

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT December 31, 1998

COMPARATIVE BALANCE SHEET

Account Name	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105)	F-5,W-1,S-1	289,466	251,856
Accumulated Depreciation and Amortization (108)	F-5,W-2,S-3	(67,283)	(59,601)
Net Utility Plant:		222,183	192,255
Cash		388	816
Customer Accts Receivable (141)		1,129	788
Other Assets			
Utility Deposit		1,240	1,240
Unamortized Debt Discount		4,250	4,250
Plant Held for Future Use		101,654	101,654
Acquisition Adjustment			
Total Assets		330,844	301,003
Liabilities & Capital			
Common Stock Issued (201)	F-6	200	200
Preferred Stock Issued (204)	F-6		
Other Paid in Capital (211)		44,900	44,900
Retained Earnings (215)	F-6	(13,942)	(15,364)
Total Capital		31,158	29,736
Long Term Debt (224)	F-6	74,461	75,625
Accounts Payable (231)		-	-
Notes Payable (232)			
Customer Deposits (235)		6,005	5,313
Accrued Taxes (236)			
Other Liabilities (Specify)			
Advances for Construction		7,000	7,000
Reg Comm Esp 98		2,232	2,207
Stockholder Loan		11,510	11,510
Refundable Advances		9,250	4250
Contributions in Aid of Construction-Net (271-272)	F-8	189,228	165,362
Total Liabilities & Capital		330,844	301,003

UTILITY NAME CFAT H2O, INC

YEAR OF REPORT
December 31, 1998

GROSS UTILITY PLANT

Plant Accounts (101-107) Inclusive	Water	Wastewater	Total
Utility Plant in Service (101)	106,859	144,997	251,856
310 Addition of Power Generator	1,585		1,585
331 Transmission & Distribution Mains	22,106		22,106
334 Meter & Meter Installations	6,439		6,439
361 Gravity Feed Collection Lines		4,680	4,680
380 Treatment and Disposal Equipment		2,800	2,800
Total Utility Plant	136,989	152,477	289,466

ACCUMULATED DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Account (108)	Water	Wastewater	Total
Balance first of Year	22,521	37,080	59,601
Add Credits During Year	3,595	4,087	7,682
Accruals charged to Depreciation Account			
Total Credits	26,116	41,167	67,283
Deduct Debits During Year			
Balance End of year	26,116	41,167	67,283

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

CAPITAL STOCK (201-204)

	Common Stock	Preferred Stock
Par or stated value per share	1.00	
Shares authorized	200	
Shares issued and outstanding	200	
Total par value of stock issued	200	
Dividends declared per share for year	-	

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year		(15,364)
Changes during the year (specify)		
Less Current Year operating profit		1,422
Accounting transfer to Capital Acct		
Balance End of year		(13,942)

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity)	Rate	Interest Pymts	Principal per Balance Sheet Date
Joe Lovenduski	6.625	Mo	74,460
Stockholder Loans		Var	11,510
Refundable Advance		Var	4,250
Total			90,220

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

TAXES ACCRUED (236)

	Water (b)	Wastewater (c)	Other (d)	Total (e)
Balance first of year	763	1,444		2,207
Add Accruals Charged				
State ad valorem tax				1,255
Local Property Tax	722	533		
Federal Income Tax				2,232
Regulatory assessment fee	812	1,420		5,694
Total Taxes Accrued	2,297	3,397		
Deduct Taxes Paid:				
State ad valorem tax				1,255
Local Property Tax	722	533		
Federal Income Tax				2,207
Regulatory Assessment Fee	763	1,444		
Total Taxes Paid	1,485	1,977		3,462
Balance end of year	812	1,420		2,232

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning 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
MIRA International, Inc.	6013	6,013	Management & Maintenance
Aqua Pure Water & Sewer Sys	3727	5,317	Plant operation
Collier & Co		750	Accounting Fees

UTILITY NAME **CFAT H2O, INC.**

YEAR OF REPORT
December 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater ©	Total (d)
1) Balance first of year	76,065	114,555	190,620
2) Add Credits during year	25,438	5,869	31,307
3) Total	101,503	120,424	221,927
4) Deduct charges during year			
5) Balance end of year	101,503	120,424	221,927
6) Less Accumulated Amortization	(11,979)	(20,720)	(32,699)
7) Net CIAC	89,524	99,704	189,228

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year	8,875	16,383	25,258
Add Credits During Year	3,104	4,337	7,441
Deduct Debits During Year			
Balance End of Year (must agree with line #6 above)	11,979	20,720	32,699

C.F.A.T.H₂O, INC.

WATER OPERATING SECTION

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

WATER UTILITY PLANT ACCOUNTS

ACCT NO. (a)	ACCOUNT DESCRIPTION (b)	PREVIOUS YEAR ©	ADDITIONS (d)	DELETIONS (e)	CURRENT YEAR (f)
301	ORGANIZATIONAL	2,500			2,500
302	FRANCHISES	1,062			1,062
303	LAND AND LAND RIGHTS	19,500			19,500
304	STRUCTURE AND IMPROVEMENTS				
307	WELL AND SPRINGS	4,250			4,250
310	POWER GENERATION EQUIPMENT	5,641	1,585		7,226
311	PUMPING EQUIPMENT	4,432			4,432
320	WATER TREATMENT EQUIPMENT	220			220
330	DIST RESERVOIR & STANDPIPES	13,000			13,000
331	TRANSMISSION & DISTRIBUTION MAINS	38,589	22,106		60,695
333	SERVICES	15,635			15,635
334	METER AND METER INSTALLATIONS	1,823	6,439		8,262
343	TOOL SHOP AND GARAGE EQUIPMENT	207			207
	TOTALS	106,859	30,130		136,989

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT December 31, 1998

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

ACCT NO.	ACCOUNT DESCRIPTION	AVERAGE SERVICE LIFE	DEPR RATE APPLIED	ACCUM BALANCE PREV YR	DEBITS	CREDITS	ACCUM DEPR BALANCE
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
301	ORGANIZATIONAL	5	20.0000	2,000		500	2,500
302	FRANCHISES	29	3.4483	128		36	164
304	STRUCTURES & IMPROV	27	3.7037	-		-	-
307	WELL PUMPS (15HP)	27	3.7037	2,358		157	2,515
310	POWER GENERATION EQ	15	6.6667	462		411	873
311	PUMPING EQUIPMENT	15	6.6667	(84)		295	211
320	WATER TREATMENT EQ	11	9.0909	106		20	126
330	DISTRIBUTION RESERVOIR	30	3.3333	4,764		433	5,197
331	TRANS & DIST MAINS	40	2.5000	10,609		1,123	11,732
333	SERVICES	35	2.8571	3,567		446	4,013
334	METERS & METER INSTAL	17	5.8824	234		161	395
335	HYDRANTS	40	2.5000			-	-
339	OTHER PLANT & MISC EQ	20	5.0000	(1,655)		-	(1,655)
340	OFFICE FURNITURE & EQ	6	16.6667			-	-
341	TRANSPORTATION EQ	5	20.0000			-	-
343	TOOL,SHOP & GARAGE	15	6.6667	32		13	45
	TOTALS			22,521		3,595	26,116

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

WATER OPERATION AND MAINTENANCE EXPENSE

ACCT NO.	ACCOUNT NAME	AMOUNT
615	PURCHASED POWER	735
616	FUEL FOR POWER PRODUCTION	387
618	CHEMICALS	144
620	MATERIALS AND SUPPLIES	1,721
630	CONTRACTUAL EXPENSE BILLING	3,727
635	CONTRACTUAL SERVICES - TESTING	510
655	INSURANCE EXPENSE	360
675	OFFICE SUPPLIES	50
675	BANK SERVICE CHARGES	111
675	PROFESSIONAL FEES (ENGINEERING - ACCOUNTING)	6,013
675	MAINTENANCE EXPENSE	2,416
	TOTAL OPERATION AND MAINTENANCE EXPENSE	16,174

WATER CUSTOMERS

DESCRIPTION (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUM OF ACTIVE CUSTOMERS START OF YR (d)	END OF YR (e)	TOT NUMBER OF EQUIVALENT (c x e)
5/8"	D	1.0	102	151	151
3/4"	D	1.5			
1"	D	2.5			
2"	D	8.0			
		TOTAL	102	151	151

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased for Resale (omit 000) (b)	Finished water from Wells (omit 000) (c)	Accounted for loss thru line flushing etc. (omit 000) (d)	Total Water Pumped and Purchased (omit 000) (e)	Water sold to Customers (omit 000) (f)
January	None	362	42		320
February	"	333	-3		336
March	"	345	47		298
April	"	418	60		358
May	"	394	55		339
June	"	457	66		391
July	"	428	66		362
August	"	317	55		262
September	"	439	156		283
October	"	453	-51		504
November	"	404	49		355
December	"	441	94		347
Total for Year	None	4791	636		4155

MAINS (Feet)

Kind of Pipe	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	6"	4270	0	0	4270
PVC	4"	3830	380	0	4210
PVC	8"	8500	4860	0	13360

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)
Year Constructed	1989		
Type fo well construction and casing.	Steel Grouted		
Depth of Wells	160'		
Diameters of Wells	8"		
Pump GPM	250		
Motor HP	20		
Yields of Wells in GPD	10000		
Auxiliary Power	PROPANE GEN		

RESERVOIRS

(a)	(b)	(c)	
Description	Steel		
Capacity of Tank	20000		
Ground or Elevated	Ground		

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

SOURCE OF SUPPLY

List for each source of supply:	
Gals. per day of source	10,000
Type of Source	Well

WATER TREATMENT FACILITIES

List for each water treatment facility:	
Type	Liquid Chlorinated
Make	VT 100
Gals per day	100,000
Method of Measurement	Flow meter

OTHER WATER SYSTEMS INFORMATION

Furnish information below for each system not physically connected with another facility.	
1. Present ERC's * now being served 32	
2. Maximum ERC's * that system can efficiently serve 250	
3. Present system connection capacity (in ERC's) using existing lines 250	
4. Future connection capacity (in ERC's) upon service area buildout 250	
5. Estimated annual increase in ERC's 10	
6. List fire fighting facilities and capacities NONE	
7. List percent of certificated area where service connections are installed (total for each county) 30%	
8. What is the current need for system upgrading and/or expansion? NONE	
9. What are plans for future system upgrading and/or expansion? NONE	
10. Have questions 8 and 9 been discussed with an engineer? YES	
11. Has an application for a construction permit been filed (if so, state name and address) NO	
12. Department of Environmental Protection ID #.	3424620
Water Management District ID #	2-83-0220AN

- * ERC = (Total Gallons Sold / 365 days / 350 Gallons per Day
** TOTAL PLANT CAPACITY / 350

C.F.A.T.H2o, INC.

SEWER OPERATING SECTION

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

SEWER UTILITY PLANT ACCOUNTS

ACCT NO. (a)	ACCOUNT DESCRIPTION (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	DELETIONS (e)	CURRENT YEAR (f)
351	ORGANIZATIONAL	2,500			2,500
352	FRANCHISES	2,062			2,062
353	LAND & LAND RIGHTS	39,000			39,000
354	STRUCTURES AND IMPROVEMENT	5,516			5,516
360	FORCE MAIN COLL LINES	7,700			7,700
361	GRAVITY FEED COLL LINES	40,977	4,680		45,657
362	SPECIAL COLL STRUCTURES	15,000			15,000
363	SERVICES TO CUSTOMERS	8,500			8,500
364	FLOW MEASURING DEVICES	90			90
365	FLOW MEASURING INSTALLATIONS	5,610			5,610
370	RECEIVING WELL - MANHOLES, LIFT STATIONS	7,625			7,625
380	TREATMENT AND DISPOSAL EQ	10,417	2,800		13,217
389	OTHER PLANT & MISC EQUIP	-			-
390	OFFICE FURNITURE & EQUIP	-			-
393	TOOLS, SHOP & GARAGE EQUIP	-			-
	TOTALS	144,997	7,480		152,477

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT -SEWER

ACCT NO.	ACCOUNT DESCRIPTION	AVERAGE SERVICE LIFE	DEPR RATE APPLIED	ACCUM BALANCE PREV YR	DEBITS	CREDITS	ACCUM DEPR BALANCE
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
351	ORGANIZATIONAL	5	20.0000	2,000		500	2,500
352	FRANCHISES	3	33.3333	2,061		-	2,061
354	STRUCTURES AND IMPROV	27	3.7037	619		204	823
360	FORCE MAIN COLL LINES	27	3.7037	3,133		285	3,418
361	GRAVITY FEED COLL LINES	40	2.5000	11,267		1,073	12,340
362	SPECIAL COLL STRUCTURES	35	2.8571	4,715		428	5,143
363	SERVICES TO CUSTOMERS	35	2.8571	2,669		242	2,911
364	FLOW MEASURING DEVICES	5	20.0000	90		-	90
365	FLOW MEASURING INSTAL	35	2.8571	1,727		160	1,887
370	RECEIVING WELL - MANHOLES	18	5.5556	4,657		423	5,080
380	LIFT STATIONS	15	6.6667	4,142		772	4,914
389	TREATMENT AND DISPOSAL EQ	15	6.6667				
390	OTHER PLANT & MISC EQUIP	6	16.6667				
393	OFFICE FURNITURE & EQUIP	15	6.6667				
	TOOLS, SHOP & GARAGE EQUIP						
	TOTALS			37,080		4,087	41,167

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

SEWER OPERATION AND MAINTENANCE EXPENSE

ACCT NO.	ACCOUNT NAME	AMOUNT
711	SLUDGE REMOVAL EXPENSE	1,024
715	PURCHASED POWER	5,493
718	CHEMICALS	512
720	MATERIALS AND SUPPLIES	1,087
730	CONTRACTUAL SERVICES SEWER	5,317
735	CONTRACTUAL EXPENSE - PROFESSIONAL	150
755	INSURANCE EXPENSE	360
775	OFFICE SUPPLIES	50
775	BANK SERVICE CHARGES	112
775	PROFESSIONAL FEES (ENGINEERING - ACCOUNTING)	6,013
775	MAINTENANCE EXPENSE	2,490
	TOTAL OPERATION AND MAINTENANCE EXPENSE	22,608

WATER CUSTOMERS

DESCRIPTION (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUM OF ACTIVE CUSTOMERS START OF YR (d)	END OF YR (e)	TOT NUMBER OF EQUIVALENT (c x e)
5/8"	D	1.0	102	151	151
3/4"	D	1.5			
1"	D	2.5			
2"	D	8.0			
		TOTAL	102	151	151

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

PUMPING EQUIPMENT

Lift Station Number	1	2	
Name or Type and Nameplate data of pump	STA-RITE	STA-RITE	
Year Installed	1990	1990	
Rated Capacity	100 GPM	100 GPM	
Size	4"	4"	
Power	Electric	Electric	
Nameplate Data of Motor	2.8 HP	2.8 HP	
	12.6 AMP	12.6 AMP	

SERVICE CONNECTIONS

Size (inches)	4"
Type	PVC
Average Length	30'
Number of Active Service Connections	
Beginning of Year	91
Added during Year	29
Retired during Year	
End of Year	120

COLLECTING AND FORCE MAINS

	Collecting Mains	Collecting Mains	Force Mains
Size (inches)	8"	6"	4"
Type of Main	PVC	PVC	PVC
Length of Main (nearest foot)			
Beginning of Year	9287	803	3912
Added during Year	0	0	0
Retired during Year	0	0	0
End of Year	9287	803	3912

MANHOLES

Size (inches)	48"	
Number of Manholes	Concrete	
Beginning of Year	22	
Added during Year	0	
Retired during Year	0	
End of Year	22	

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

TREATMENT PLANT

Manufacturer	Marlof
Type	Concrete
Total Capacity	125,000
Average Daily flow	12,000
Total Gallons of Sewage treated	12,000

MASTER LIFT STATION PUMPS

Manufacturer	
Capacity	
Motor: Mfr	
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	320	0	320
February	336	0	336
March	298	0	298
April	358	0	358
May	339	0	339
June	391	0	391
July	362	0	362
August	262	0	262
September	283	0	283
October	504	0	504
November	355	0	355
December	347	0	347
Total for Year	4,155	0	4,155

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT December 31, 1998

OTHER WASTEWATER SYSTEM INFORMATION

1. Present ERC's * being served 39
2. Maximum ERC's ** that system can efficiently serve 250
3. Present system connection capacity (in ERC'S) using existing lines. 250
4. Future connection capacity (in ERC'S) upon service area buildout. 250
5. Estimates annual increase in ERC'S * 10
6. State any plans and estimated completion date for any enlargements of this system.
Installation of surge tank, Upgrade Spray field
7. In what percent of your certificated area have service connections been installed? 68%
8. If present systems do not meet the requirements of DEP rule 62-4, Florida Administrative Code, submit the following
 - a. Evaluation of the present plant or plants in regard to meeting the DEP'S rules.
 - b. Plans for funding and construction of the required upgrading.
 - c. Have these plans been coordinated with the DEP?
 - d. Do they concur?
 - e. When will construction begin?
9. Do you discharge effluent to surface waters? No__
10. Department of Environmental Protection I.D. #3042P01551 and Water Management District I.D. # 2-083-0220ANF

* ERC = (Total Gallons Treated / 365 days / 280 Gallons per Day

Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment.

** Total plant capacity/280 gallons

UTILITY NAME CFAT H2O, INC.

YEAR OF REPORT
December 31, 1998

CERTIFICATION OF ANNUAL REPORT

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

YES NO

(X) () 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES NO

(X) () 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES NO

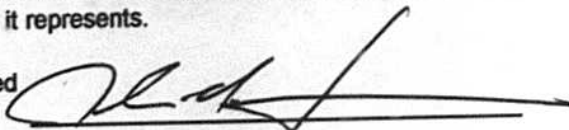
() (X) 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.

YES NO

(X) () 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.



(X) (X) (X) (X) (signature of chief executive officer of the utility)

1. 2. 3. 4.

() () () () (signature of chief financial officer of the utility)

* Each of the four items must be certified YES or NO. Each item need not be certified by both officer. 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.