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CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

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

ANNUAL REPORT

WU242 48
Tangerine Water Company, Inc.
P. O. Box 304
Tangerine, FL 32777-0304

096-W

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 19 98

RECEIVED
JUN 1 1999
Florida Public Service Commission
Division of Water and Wastewater

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**FINANCIAL
SECTION**

REPORT OF

TANGERINE WATER COMPANY, INCORPORATED

(EXACT NAME OF UTILITY)

P. O. Box 304

Mailing Address

Huron Street
Street Address

Orange
County

Telephone Number (352) 383-3515

Date Utility First Organized 1944

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: Connie L. Hurlburt 7647 Lake Ola Drive
P.O. Box 485 Tangerine Fl 32777

Name of subdivisions where services are provided: N/A

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: <u>Connie L. Hurlburt</u>	<u>Treasurer</u>	<u>P.O. Box 304 Tangerine, FL 32777</u>	
Person who prepared this report <u>Connie L. Hurlburt</u>	<u>Treasurer</u>	<u>Box 304, Tangerine</u>	
Officers and Managers: <u>R. Gregory Hathaway</u>	<u>President</u>	<u>Box 323, Tangerine</u>	\$ 400.00
<u>Dennis Kellenberger</u>	<u>VP Operations</u>	<u>Box 32, Tangerine</u>	\$ 3,800.00
<u>Connie L. Hurlburt</u>	<u>Treasurer</u>	<u>Box 485, Tangerine</u>	\$ 4,575.00
<u>Laurie A. Hathaway</u>	<u>Secretary</u>	<u>Box 323, Tangerine</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	Principle Business Address	Salary Charged Utility
<u>Tangerine Community Church</u>	<u>23.9</u>	<u>Box 281, Tangerine</u>	\$ --
<u>Tangerine Improvement Society</u>	<u>17.1</u>	<u>Box 161, Tangerine</u>	\$ --
<u>Robert H. Cardinell</u>	<u>11.6</u>	<u>5223 Palm Ln, Mt Dora</u>	\$ --
			\$ --
			\$ --
			\$ --
			\$ --

UTILITY NAME: Tangerine Water Company, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential		\$ 36,142	\$ _____	\$ _____	\$ 36,142
Commercial		1,577	_____	_____	1,577
Industrial		_____	_____	_____	_____
Multiple Family		7,623	_____	_____	7,623
Guaranteed Revenues		1,000	_____	_____	1,000
Other (Specify) Misc Service		403	_____	_____	403
Total Gross Revenue		\$ 46,745	\$ _____	\$ _____	\$ 46,745
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 33,704	\$ _____	\$ _____	\$ 33,704
Depreciation Expense	F-5	6,242	_____	_____	6,242
CIAC Amortization Expense	F-8	2,257	_____	_____	2,257
Taxes Other Than Income	F-7	5,608	_____	_____	5,608
Income Taxes	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 47,811	\$ _____	\$ _____	\$ 47,811
Net Operating Income (Loss)		\$ (1,066)	\$ _____	\$ _____	\$ (1,066)
Other Income:					
Nonutility Income		\$ _____	\$ _____	\$ _____	\$ _____
Dividends		75	_____	_____	75
Insurance Claim		21,724	_____	_____	21,724
Interest		64	_____	_____	64
Other Deductions: Miscellaneous		68	_____	_____	68
Miscellaneous Nonutility Expenses		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense		2	_____	_____	2
Annual Corp Fees		190	_____	_____	190
Rounding		+ 2	_____	_____	+ 2
Net Income (Loss)		\$ 20,675	\$ _____	\$ _____	\$ 20,675

UTILITY NAME: Tangerine Water Company, 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	\$ 167,964 ✓	\$ 143,826 ✓
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	86,801 ✓	80,202 ✓
Net Utility Plant -----		\$ 81,163	\$ 63,624 ✓
Cash -----		13,460	6,936 ✓
Customer Accounts Receivable (141) -----			
Other Assets (Specify): -----			
<u>Rounding</u> -----			(1)
Total Assets -----		\$ 94,623	\$ 70,559 ✓
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	293 ✓	293 ✓
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----		29,007	29,007 ✓
Retained Earnings (215) -----	F-6	22,690 ✓	3,214 ✓
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ 51,990	\$ 32,514 ✓
Long Term Debt (224) -----	F-6	\$	\$
Accounts Payable (231) -----		673	--
Notes Payable (232) -----			
Customer Deposits (235) -----		5,909	5,335 ✓
Accrued Taxes (236) -----		1,445	103 ✓
Other Liabilities (Specify) -----			
Utility Tax Payable -----		199	159 ✓
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	34,407 ✓	32,448 ✓
Total Liabilities and Capital -----		\$ 94,623	\$ 70,559 ✓

UTILITY NAME: Tangerine Water Company, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)_____	\$ <u>167,964</u> ✓	\$ _____	\$ _____	\$ <u>167,964</u>
Construction Work in Progress (105)_____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant_____	\$ <u>157,964</u>	\$ _____	\$ _____	\$ <u>167,964</u>

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

Account 108	Water	Wastewater	A/D & CIAC AM Other Than Reporting Systems	Total
Balance First of Year_____	\$ <u>80,202</u> ✓	\$ _____	\$ _____	\$ <u>80,202</u>
<u>Add Credits During Year:</u>	<i>tics to W-2</i>			
Accruals charged to depreciation account_____	\$ <u>6,242</u>	\$ _____	\$ _____	\$ <u>6,242</u>
Salvage Insurance Claim Other Credits (specify)_____	<u>21,724</u>	_____	_____	<u>21,724</u>
<u>Adjust balance forward*</u> (18,395)	(18,395)	_____	_____	(18,395)
Total Credits_____	\$ <u>9,571</u>	\$ _____	\$ _____	\$ <u>9,571</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired_____	\$ <u>2,972</u>	\$ _____	\$ _____	\$ <u>2,972</u>
Cost of removal_____	_____	_____	_____	_____
Other debits (specify)_____	_____	_____	_____	_____
Total Debits_____	\$ <u>2,972</u>	\$ _____	\$ _____	\$ <u>2,972</u>
Balance End of Year_____	\$ <u>86,801</u> ✓	\$ _____	\$ _____	\$ <u>86,801</u>

* Adjusted balances to agree with audit conducted by PSC in Staff Assisted Rate Case, Docket # 98-1663-WU.

UTILITY NAME: Tangerine Water Company, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	1.00	None
Shares authorized _____	2,000	
Shares issued and outstanding _____	293	
Total par value of stock issued _____	293	
Dividends declared per share for year _____	None	

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ 3,214
Changes during the year (Specify):		
Net Income _____		20,675
Adjust prior year payroll taxes _____		(1,199)
Balance end of year _____	\$ _____	\$ 22,690

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify):		

Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____			\$ _____
_____			_____
Total _____			\$ _____

UTILITY NAME: Tangerine Water Company, Inc.

YEAR OF REPORT
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CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year	\$ 57,198	\$ _____	\$ 57,198
2) Add credits during year	\$ 1,000	\$ _____	\$ 1,000
3) Total	_____	_____	_____
4) Deduct charges during the year	_____	_____	_____
5) Balance end of year	_____	_____	_____
6) Less Accumulated Amortization	23,791	_____	23,791
7) Net CIAC	\$ 34,407	\$ _____	\$ 34,407

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
Brown		Cash	200	_____
Pugliese		Cash	200	_____
Ivory		Cash	200	_____
McCallum		Cash	200	_____
Atkins		Cash	200	_____
Sub-total			\$ 1,000	\$ _____
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.)			\$ _____	\$ _____

ACCUMULATED AMORTIZATION OF CIAC

	Water	Wastewater	Total
Balance First of Year	\$ 21,534	\$ _____	\$ 21,534
Add Credits During Year:	2,257	_____	2,257
Deduct Debits During Year:	_____	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ 23,791	\$ _____	\$ 23,791

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

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

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	\$ _____	100.00 %		_____ %

(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:	_____ %
Commission Order approving AFUDC rate:	_____

**WATER
OPERATING
SECTION**

UTILITY NAME: Tangerine Water Company, Inc.

YEAR OF REPORT
DECEMBER 31, 1998

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises	_____	_____	_____	_____
303	Land and Land Rights	_____	_____	_____	_____
304	Structures and Improvements	<u>2,032</u>	<u>2,418</u>	<u>878</u>	<u>3,572</u>
305	Collecting and Impounding Reservoirs	_____	_____	_____	_____
306	Lake, River and Other Intakes	_____	_____	_____	_____
307	Wells and Springs	<u>5,284</u>	<u>34</u>	_____	<u>12,817</u>
308	Infiltration Galleries and Tunnels	_____	_____	_____	_____
309	Supply Mains	<u>---</u>	<u>0</u>	_____	<u>10,110</u>
310	Power Generation Equipment	_____	<u>13,364</u>	_____	<u>13,364</u>
311	Pumping Equipment	<u>22,560</u>	<u>19,633</u>	<u>26,329</u>	<u>15,864</u>
320	Water Treatment Equipment	<u>1,355</u>	<u>1,619</u>	_____	<u>2,974</u>
330	Distribution Reservoirs and Standpipes	<u>18,679</u>	<u>12,050</u>	<u>1,945</u>	<u>28,784</u>
331	Transmission and Distribution Lines	<u>60,660</u>	<u>5,820</u>	<u>6,24</u>	<u>60,239</u>
333	Services	_____	_____	_____	_____
334	Meters and Meter Installations	<u>30,668</u>	<u>2,634</u>	<u>16,496</u>	<u>16,805</u>
335	Hydrants	<u>---</u>	<u>1,045</u>	_____	<u>1,045</u>
339	Other Plant and Miscellaneous Equipment	<u>25</u>	_____	<u>25</u>	<u>---</u>
340	Office Furniture and Equipment	<u>171</u>	<u>1,864</u>	<u>171</u>	<u>1,864</u>
341	Transportation Equipment	_____	_____	_____	_____
342	Stores Equipment	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment	_____	<u>477</u>	_____	<u>477</u>
344	Laboratory Equipment	_____	_____	_____	_____
345	Power Operated Equipment	_____	_____	_____	_____
346	Communication Equipment	_____	_____	_____	_____
347	Miscellaneous Equipment	_____	_____	_____	_____
348	Other Tangible Plant	<u>1,943</u>	_____	<u>1,894</u>	<u>49</u>
	Total Water Plant	\$ <u>143,826</u>	\$ <u>78,118</u>	\$ <u>53,980</u>	\$ <u>167,964</u>

1998 Additions

19,670 2,972

Prior Year Adjustments*

58,448 51,008

*Adjusted balances to agree with audit conducted by PSC in Staff Assisted Rate Case, Docket #98-1663-WU.

agrees with Staff Recommendation 6/17/99

UTILITY NAME: Tangerine Water Company, Inc.

YEAR OF REPORT
DECEMBER 31, 1908

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

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)
304	Structures and Improvements		%	3.6%	\$ 1,808	\$ 132	\$ 551	\$ 1,389
305	Collecting and Impounding Reservoirs		%					
306	Lake, River and Other Intakes		%					
307	Wells and Springs		%	3.7%	2,134	344	1,000	1,478
308	Infiltration Galleries & Tunnels		%					
309	Supply Mains		%	3.1%	6,276	316		6,592
310	Power Generating Equipment		%	5.9%	3,507	786		4,293
311	Pumping Equipment		%	6.7%	6,500	1,035	1,250	6,285
320	Water Treatment Equipment		%	5.9%	1,423	175		1,598
330	Distribution Reservoirs & Standpipes		%		--	21,724		22,571
331	Trans. & Dist. Mains		%	3.0%		847		32,054
333	Services		%	2.6%	30,530	1,524		
334	Meter & Meter Installations		%	5.9%	9,233	968		10,201
335	Hydrants		%	2.5%	234	26		260
339	Other Plant and Miscellaneous Equipment		%					
340	Office Furniture and Equipment		%				171	24
341	Transportation Equipment		%	6.7%	127	68		
342	Stores Equipment		%					
343	Tools, Shop and Garage Equipment		%	6.7%	--	16		16
344	Laboratory Equipment		%					
345	Power Operated Equipment		%					
346	Communication Equipment		%					
347	Miscellaneous Equipment		%		35	5		40
348	Other Tangible Plant		%	10.0%		21,724		
	Totals				\$61,807	\$ 6,242	\$ 2,972	\$ 86,801

* This amount should tie to Sheet F-5.

UTILITY NAME: Tangerine Water Co., Inc.

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January		3,032			
February		3,167			
March		4,141	1,930	8,410	9,325
April		5,882			
May		7,353			
June		7,960	3,960	17,235	17,882
July		5,438			
August		4,748			
September		3,648	2,585	11,249	8,418
October		4,439			
November		4,249			
December		3,914	2,358	10,244	7,502
Total for Year		57,971	10,833*	47,138	43,127**

If water is purchased for resale, indicate the following:

Vendor _____
Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

* Reflects 4,493 authorized unmetered uses & 6,340 loss from 14.7% service meter innacuracy (despite replacement of 45 meters during 1998) using the FRWA "Water Audit Worksheet" and their assistance.

** Quarterly billing cycle does not always coincide with monthly water pumped dates except in total

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
Cast Iron	3/4" & 1"	5,146			5,146
	1 1/2" & 1 1/2"	7,136			7,136
	2" & 2 1/2"	6,046			6,046
	3"	2,664			2,664
	4"	1,062			1,062
Asbestos	4"	700			700
PVC Sch 40	3/4" & 1"	3,460	350		3,810
	1 1/2"	930			930
	2"	15,355	600		15,955
	3" & 4"	970			970
	6" C1300	2,320			2,320

UTILITY NAME: Tangerine Water Co., Inc.

YEAR OF REPORT DECEMBER 31, 1998

SYSTEM NAME: _____

**WELLS AND WELL PUMPS
(If Available)**

(a)	#1 (b)	#2 (c)	(d)	(e)
Year Constructed _____	1944	1959	_____	_____
Types of Well Construction and Casing _____	Deep Steel	Deep Steel	_____	_____
Depth of Wells _____	398'	413'	_____	_____
Diameters of Wells _____	6"	6"	_____	_____
Pump - GPM _____	300-350	300	_____	_____
Motor - HP _____	25	25	_____	_____
Motor Type * _____	Submersible	Submersible	_____	_____
Yields of Wells in GPD _____	158,	700	_____	_____
Auxiliary Power _____	37KW diesel	None	_____	_____

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	Steel	_____	_____	_____
Capacity of Tank _____	10,000	_____	_____	_____
Ground or Elevated _____	Ground	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
<u>Pumps</u>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____

UTILITY NAME: Tangerine Water Co., Inc.

YEAR OF REPORT
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SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source	<u>158,715</u>		
Type of Source	<u>Ground</u>		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type	<u>Ground Water</u>		
Make	<u>Chlorination</u>		
Gals. per day capacity	<u>720,000</u>		
High service pumping Gallons per minute			
Reverse Osmosis			
Lime Treatment Unit Rating			
Filtration Pressure Sq. Ft.			
Gravity GPD/Sq.Ft.			
Disinfection Chlorinator	<u>Gas</u>		
Ozone			
Other			
Auxiliary Power	<u>37KW</u>		

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

- Present ERCs * now being served 337
- Maximum ERCs ** that system can efficiently serve 1,028
- Present system connection capacity (in ERC's) using existing lines 387
- Future connection capacity (in ERC's) upon service area buildout _____
- Estimated annual increase in ERCs * 1.2/year over next 15 years
- List fire fighting facilities and capacities (including number of fire hydrants) 5 fire hydrants in central area of Tangerine. In addition 14 1/2% (33 of 228 meters) are lake front homes. County service from Zellwood about 3 miles away.
- List percent of certificated area where service connections are installed (total for each county)
About 30% all in Orange County
- What is the current need for system upgrading and/or expansion? Plant needs modernization of electric system, automatic generator switch, automatic chlorinator control, overhaul of 1 pump in next year or so, hand held meter reader, more active meter replacing, etc.
- What are plans for future system upgrading and/or expansion? All of the above starting late 1999 if rates are increased sufficiently. Little expansion of system is planned unless new developments come into area. Larger lines needed in some current areas.
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address)
Only with Ted Davis, PSC Engineer, during current rate increase request.
- Has an application for a construction permit been filed with the DEP? (If so, explain) No
- Department of Environmental Protection ID # 3481329
Water Management District ID # 51703

* ERC = (Total Gallons Sold / 365 days) / 350 Gallons Per Day
** Total Plant Capacity / 350 gallons

WASTEWATER OPERATING SECTION

Note: This utility is a water only service; therefore, Pages S-1 through S-6 have been omitted from this report.

CERTIFICATION OF ANNUAL REPORT

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

- | | | | |
|--|---|----|--|
| YES
<input type="checkbox"/> | NO
<input checked="" type="checkbox"/> | 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
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input type="checkbox"/> | NO
<input checked="" type="checkbox"/> | 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
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 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. |

Report prepared on a modified cash basis with adjustments for prior year corrections as reported in the Staff Assisted Rate Case Docket #98-1663-WU.

Items Certified

1.	2.	3.	4.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

R. Susan Lott

(signature of chief executive officer of the utility)

1.	2.	3.	4.
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Connie S. Hurdent, 5/24/99

(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 his 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.