

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for transfer) DOCKET NO. '940091-WS
of facilities of LAKE UTILITIES,) ORDER NO. PSC-95-0268-FOF-WS
LTD. to SOUTHERN STATES) ISSUED: February 28, 1995
UTILITIES, INC.; amendment of)
Certificates Nos. 189-W and 134-)
S, cancellation of Certificates)
Nos. 442-W and 372-S in Citrus)
County; amendment of)
Certificates Nos. 106-W and 120-)
S, and cancellation of)
Certificates Nos. 205-W and 150-)
S in Lake County.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER APPROVING TRANSFER

AND

NOTICE OF PROPOSED AGENCY ACTION
ORDER ESTABLISHING RATE BASE FOR
PURPOSES OF THE TRANSFER

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the actions discussed herein regarding the establishment of rate base for purposes of the transfer, the lack of a negative acquisition adjustment for purposes of the transfer, and the elimination of the vacation rate and the reclassification of certain of charges in this Order are preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

BACKGROUND

Lake Utilities, Ltd., (Lake Utilities or utility) is a Class C utility providing water and wastewater service to customers in Citrus and Lake Counties. According to the utility's 1993 annual report, the Spring Gardens system, located in Citrus County, serves 125 water customers and 124 wastewater customers. Spring Gardens had annual operating revenues of \$19,964 and \$24,479 for water and wastewater, respectively. This system had a net operating income of \$2,906 for water and a net operating loss of \$2,110 for wastewater.

According to the utility's 1993 annual report, the Valencia Terrace system, located in Lake County, serves 341 water customers and 342 wastewater customers. Valencia Terrace had annual operating revenues of \$46,321 and \$69,106 for water and wastewater, respectively. This system had a net operating income of \$2,402 for water and \$8,981 for wastewater.

Southern States Utilities, Inc., (SSU) is a Class A utility providing service to 78,962 water customers and 26,696 wastewater customers in Florida. According to SSU's 1993 annual report, it had annual operating revenues of \$26,637,790 for water and \$15,924,519 for wastewater. SSU had a net operating income of \$5,499,148 and \$1,581,696 for water and wastewater, respectively.

On January 24, 1994, SSU filed an application for transfer of the Spring Gardens and Valencia Terrace facilities from Lake Utilities to SSU. The facilities of Spring Gardens and Valencia Terrace each include one water treatment plant, one wastewater treatment plant, one water distribution system, and one wastewater collection system. SSU states that the transfer is in the public interest because Lake Utilities no longer wishes to own and operate these facilities, and SSU has the requisite technical and financial ability to own and operate these facilities.

SSU currently holds certificates of authorization in Citrus and Lake Counties. SSU is requesting that its existing certificates be amended to include the territories served by the Lake Utilities systems, and that Lake Utilities' certificates be cancelled. The application contains a copy of SSU's and the utility's (parties) Agreement for Purchase and Sale showing that the closing on the sale will not take place until the Florida Public Service Commission (Commission) approves the transfer.

Mr. Ivan Chastain, Mr. Gene Gift, and the City of Fruitland Park (the City) each filed objections to SSU's transfer request. However, by letter dated January 4, 1995, Mr. Gift informed this

Commission that his earlier correspondence, dated February 14, 1994, was not a protest against SSU's transfer application. Mr. Chastain also notified us that he did not plan to pursue this matter or offer testimony if this case proceeded to a hearing. Therefore, the issue regarding Messrs. Gift's and Chastain's correspondence was moot and we did not address this issue. By Order No. PSC-95-0062-FOF-WS, issued January 11, 1995, we granted SSU's motion to dismiss the City's objection.

APPLICATION

SSU's application contained the correct filing fees, pursuant to Rule 25-30.020, Florida Administrative Code. SSU has submitted revised legal descriptions of the territory. We have reviewed the revised legal descriptions and have determined that they are consistent with Lake Utilities' legal descriptions. The legal descriptions are included as Attachment A, which by reference is incorporated herein. While SSU has not provided evidence that the utility owns the land upon which the utility's facilities are located in accordance with Rule 25-30.037, Florida Administrative Code, SSU has provided a copy of the parties' agreement. Pursuant to the agreement, Lake Utilities will give SSU a warranty deed during closing. Closing shall occur within twenty business days following our final approval of SSU's transfer application. Lake Utilities has also agreed to deliver the warranty deed to an escrow agent pending closing, if necessary, for our approval. We find that the exchange of warranty deed during closing is appropriate. However, we hereby order SSU to submit an executed and recorded copy of the warranty deed and evidence that SSU has obtained the necessary easements, within thirty days of the issuance date of this Order.

Our auditor performed an audit of Lake Utilities' books and records to determine its rate base. Our field auditor has verified that the utility owns the land. However, our auditor could not determine whether a deeded access or utility easement existed for the Spring Gardens wastewater plant site and two wastewater lift stations. Lake Utilities has stated that upon transferring its facilities to SSU, it will also transfer an easement over its adjacent property, thereby providing SSU with ingress and egress to the property. Moreover, the two lift stations are in a dedicated right-of-way, so Lake Utilities believes that these easements will not pose a problem. Lake Utilities has further stated that upon transferring its facilities, it will provide SSU with title insurance as additional protection for its easements.

The parties' agreement includes the purchase price, terms of payment, and a list of the assets purchased and the liabilities

assumed. SSU has stated that it will fulfill the commitments, obligations and representations of Lake Utilities. SSU further states that it is not assuming any of Lake Utilities' debt or other financial liabilities. Lake Utilities will transfer its customer deposits, if any, to SSU. SSU will dispose of the customer deposits in the manner set forth in the Commission's rules. Lake Utilities states that it has no existing agreement, contract, or commitment to provide water and wastewater service in the future to any properties other than those referred to in the agreement. The parties have agreed that all ad valorem taxes and general assessments, including regulatory assessment fees, applicable to the purchased assets, will be prorated between them as of the date of closing.

SSU states that it is paying cash for this transaction and that it has not sought outside financing for this transaction because SSU's acquisition program is funding this acquisition. However, financing is available to SSU from other sources, such as its parent company, Topeka Group Incorporated, NationsBank of Georgia, and various Industrial Revenue/Development Authorities Bonds. SSU further states that it has \$191 million in total capital, over \$109 million of which is long-term debt from the sources previously cited.

SSU states that it has inspected the Spring Gardens and Valencia Terrace facilities. While the facilities are in acceptable condition, SSU has listed those improvements that are needed. Many of these are minor, such as painting the facilities, replacing a pump house door, and rehinging a gate. The most significant improvements will be made to the Spring Gardens wastewater plant. Since SSU was still assessing the improvements to be made, it did not provide cost estimates for the improvements when it filed its application.

The Department of Environmental Protection (DEP) issued a warning letter to Lake Utilities regarding capacity deficiencies in the Spring Gardens wastewater treatment plant and effluent disposal system. DEP had previously given Lake Utilities an extension on the Spring Gardens wastewater permit renewal because of its pending sale to SSU. Our staff contacted DEP and learned that DEP denied a subsequent extension of the operating permit for Spring Gardens. The case will be going to hearing. On September 17, 1993, Citrus County ceased issuing building permits. The wastewater treatment plant is rated at 20,000 gallons per day (gpd); however, the flows are running between 100% to 160% of the permitted capacity, resulting in failure of the percolation ponds and improper treatment of the wastewater.

The utility has stated that it cannot make the repairs that DEP currently requires. Pursuant to the parties' agreement, SSU will accept the systems "as is", subject to the conditions and representations noted in the agreement. As discussed earlier, SSU states it has the technical and financial ability to own and operate these systems. SSU has inspected the systems, it has evaluated the improvements that are needed for compliance with DEP regulation, and it has considered other options for making those repairs. SSU states that this Commission has regulated it for over 20 years. SSU owns and operates water and wastewater facilities which are under the Commission regulation in 134 service areas throughout Florida. SSU's capital structure consists of more than \$191 million in total capital and more than \$76 million in equity capital. SSU states that this Commission has acknowledged SSU's technical and financial ability in previous proceedings, including transfers.

Based on the above discussion, we hereby find that it is in the public's best interest to approve SSU's transfer application, transferring facilities in Citrus and Lake Counties from Lake Utilities to SSU. Further, we hereby cancel Lake Utilities' Certificates Nos. 442-W, 205-W, 372-S, and 150-S and amend SSU's Certificates Nos. 189-W, 106-W, 134-S, and 120-S to include the transferred territory. SSU shall file revised tariff sheets, an executed and recorded copy of the warranty deeds, and evidence that SSU has obtained the necessary easements within thirty days of the issuance date of this Order.

RATE BASE

Our calculation of the appropriate rate base for the purpose of this proceeding is depicted on Schedules Nos. 1-A, 2-A, 3-A, and 4-A, and our adjustments are itemized on Schedules Nos. 1-B, 2-B, 3-B, and 4-B. Those adjustments which are self-explanatory or which are essentially mechanical in nature are reflected on those schedules without further discussion in the body of this Order. The major adjustments are discussed below.

According to SSU's application, the net book value of the systems being transferred as of December 31, 1993, is \$12,698 for the Spring Gardens water system, \$18,155 for the Spring Gardens wastewater system, \$163,545 for the Valencia Terrace water system, and \$192,601 for the Valencia Terrace wastewater system. By Order No. 24750, we established rate base for the Spring Gardens system at \$38,918 for the water system and \$56,482 for the wastewater system as of September 30, 1990. By Order No. 13947, issued December 28, 1984, pursuant to an application for transfer of certificates from Lake County Service Corporation to Lake

Utilities, we established rate base at \$49,045 for the Valencia Terrace water system and \$60,475 for the wastewater system as of September 30, 1984.

SSU stated that the rate bases previously established were adjusted to reflect additions to plant and contributions-in-aid-of-construction (CIAC) which occurred subsequent to the these orders. The rate bases have been updated to reflect additions made as of December 31, 1993.

As stated earlier, our auditor conducted an audit of Lake Utilities' books and records to determine its rate base as of September 15, 1993. Our field auditors applied the audit procedures to the proposed rate bases included in SSU's application. The utility has maintained its books in accordance with the NARUC Uniform System of Accounts, pursuant to Rule 25-30.115, Florida Administrative Code. However, it appeared as if the utility recorded some of its transactions to the wrong accounts. There are eight audit exceptions and three audit disclosures. Most of these adjustments are needed to record transactions that have not been recorded, reclassify transactions to the proper accounts, or adjust account balances to reflect proper calculation in accordance with the Commission guidelines. The utility filed its response on May 11, 1994, addressing one audit exception and two audit disclosures. The following are our adjustments resulting from the rate base audit and the utility's response.

Utility Plant in Service

Most of our adjustments relate to plant additions which were either not recorded or were recorded to incorrect accounts. The following are our approved adjustments for the Spring Gardens and the Valencia Terrace water and wastewater systems.

Spring Gardens Water System

We have made six adjustments totaling (\$2,423) to the Spring Gardens water system's utility plant in service. These adjustments are itemized on Schedule No. 1-B. Adjustments A and B represent the addition of a 2" well pipe and meter installation fees, respectively. Adjustment C removes one hp pump which we have determined does not exist. Further, our audit from a prior case indicates that this item should have been removed. Adjustments D and E reclassify a water tank to the proper account. Finally, Adjustment F removes office furniture and equipment that will not be included in the sale of assets to SSU.

Spring Gardens Wastewater System

We have made three adjustments totaling \$10,546 to the Spring Gardens wastewater system's utility plant in service. These adjustments are itemized on Schedule No. 2-B. Adjustment A represents the addition of a new control panel for a lift station. Adjustment B removes office furniture and equipment that will not be included in the sale of assets to SSU. We have made the same adjustment to the water utility plant in service.

Adjustment C represents the addition of an outfall wastewater line for 1989. Our audit revealed that the utility did not correctly reconcile its books with our final decision in Order No. 24750. We found a \$9,855 discrepancy between the utility's books and Order No. 24750, issued July 2, 1991, but we could not determine which accounts needed to be adjusted. However, based on our review of the accounting work papers from the prior rate case, we have determined that an additional \$9,855 should have been made for an outfall wastewater line added in 1989.

Valencia Terrace Water System

In Docket No. 900769-WS, we processed the utility's application for a rate increase for the Valencia Terrace system. Our engineer in that case conducted an original cost study to determine the value of plant additions associated with the Lakeside Terrace development served by the Valencia Terrace system. Although the case was withdrawn prior to completion, the utility used those original cost study estimates to record the plant additions to the utility's books. Our auditor found that the utility improperly booked all of the water and wastewater additions to the water accounts. Our auditor also determined that the utility had recorded the value of the meters twice, using the cost study estimate as well as an audit estimate.

We have made five adjustments totaling (\$176,628) to the Valencia Terrace water system's utility plant in service. These adjustments are itemized on Schedule No. 3-B. Adjustment A corrects the double counting of the meters. The original cost study valued the meters at \$24,960, representing \$24,000 for the meters plus \$960 for administrative and general expenses. Our auditor in that rate case estimated the value to be \$14,700 based upon the meter installation fee. The audit report states that the utility has included both figures in its books. Upon our review of the original cost study, we find that \$24,960 is the appropriate figure. So, we have reduced utility plant in service by \$14,700 to correct the double counting of the meters.

The original cost study estimated the value of the plant additions at \$301,500. The cost study allocated \$139,572 to the water system and \$161,931 to the wastewater system. As stated above, the utility booked the total \$301,500 to the water system. Adjustment B removes the incorrect entry from water utility plant in service. Adjustments C and D reclassify the water portion of the additions to the appropriate accounts. Adjustment E represents the addition of the water meters at the appropriate value. This adjustment is needed because the value of the meters has been removed by Adjustment B above.

Valencia Terrace Wastewater System

We have made four adjustments totaling \$161,927 to the Valencia Terrace wastewater system's utility plant in service. These adjustments are itemized on Schedule No. 4-B. As discussed above, the utility recorded the entire \$301,500 in plant additions to the water accounts. Adjustments A through D reclassify the wastewater plant additions to the appropriate wastewater plant accounts.

Accumulated Depreciation, CIAC, and Amortization of CIAC

Our auditor recalculated the accumulated depreciation, CIAC, and amortization of CIAC for each of the systems to reflect the adjustments made to utility plant in service, as well as correct the figures for any differences in the utility's calculations versus the Commission guidelines. We have increased the accumulated depreciation for the Valencia Terrace water system to correspond with the use of the higher value for the meters as discussed above.

The utility agreed with our figure for accumulated depreciation for the Valencia Terrace wastewater system, except for the fact that the figure was incorrectly listed in the audit report as an increase rather than a reduction to accumulated depreciation. We agree this was a typographical error and have made the adjustment showing a reduction to accumulated depreciation.

Based on the adjustments set forth herein, we find that the rate base for the Spring Gardens system is \$13,279 for the water system and \$34,327 for the wastewater system as of September 15, 1993. The rate base for the Valencia Terrace system is \$14,395 for the water system and \$374,707 for the wastewater system as of September 15, 1993. This rate base calculation is used purely to establish the net book value of the property being transferred and does not include the normal ratemaking adjustments of working capital calculations and used and useful adjustments.

ACQUISITION ADJUSTMENT

An acquisition adjustment results when the purchase price differs from the original cost calculation. SSU has requested that no acquisition adjustment be made. SSU estimated that the combined rate bases for these systems as of December 31, 1993, was \$386,999. Compared to the purchase price of \$372,828, this would have resulted in a negative acquisition adjustment of \$14,171. As discussed earlier, we have made a number of adjustments to rate base. These adjustments have increased SSU's estimated rate base. Consequently, the amount of a potential negative acquisition adjustment is higher than originally anticipated in the application. We have calculated the potential adjustment to be \$63,880.

An acquisition adjustment should only be made if extraordinary circumstances exist. SSU states that no extraordinary circumstances justifying an acquisition adjustment exist here. SSU states that the difference in the purchase price and the transferred rate base results from SSU's valuation method. As a starting point for negotiation of this acquisition, SSU calculated what the rate base would be in a rate case, incorporating used and useful percentages.

Our auditor reviewed the sale of Lake Utilities for extraordinary circumstances and found there were no extraordinary circumstances concerning the sale of either the Spring Gardens or the Valencia Terrace systems. In the absence of extraordinary circumstances, the subsequent purchase of a utility system at a premium or discount will not affect the rate base calculation. The circumstances in this exchange do not appear to be extraordinary. Accordingly, we have not included a negative acquisition adjustment in our calculation of rate base.

RATES AND CHARGES

By Order No. PSC-93-0532-FOF-WS, issued April 7, 1993, we established service rates for the Spring Gardens system. By Order No. 24750, we approved the current customer deposits, miscellaneous service charges, and service availability charges.

Pursuant to an administratively approved 1990 price index and pass-through, effective October 19, 1990, we established service rates for the Valencia Terrace system. Pursuant to Order No. 13947, issued December 28, 1984, we established Valencia Terrace's customer deposits and service availability charges.

Rule 25-9.044(1), Florida Administrative Code, provides that:

"In cases of change of ownership or control of a utility which places the operation under a different or new utility...the company which will thereafter operate the utility business must adopt and use the rates, classification and regulations of the former operating company (unless authorized to change by the Commission)..."

SSU has not requested a change in the Lake Utilities' service rates, customer deposits, or the Spring Gardens' system capacity charge. There is no reason to change the rates at this time, except for the one billing adjustment discussed below. Our approved monthly service rates and customer deposits for the Spring Gardens and Valencia Terrace water and wastewater systems are shown on Schedule No. 5.

The Valencia Terrace system currently assesses consumption charges on a per 100 cubic feet basis rather than the per 1,000 gallons basis. SSU has proposed converting those charges to a per 1,000 gallons basis. We have reviewed SSU's calculation and determined that the utility has correctly recalculated the charges. We find it appropriate for SSU to convert to a per 1,000 gallons basis, provided it makes the corresponding conversion to any meter readings taken from cubic foot meters when billing its customers. The customers' bills will be the same under either method, provided both mathematical conversions are made. The consumption charges based on both the per 100 cubic feet basis and the per 1,000 gallons basis are shown on Schedule No. 5, and the Spring Gardens system capacity charge is shown on Schedule No. 6. We have discussed the Spring Gardens' system capacity charge in more detail below.

SSU's Implementation of its Uniform Charges, Rules, Classifications and Service Availability Policies

SSU has proposed implementing its uniform charges, rules, classifications, and the service availability policies included in its consolidated tariff. Approving this request will result in eliminating the Valencia Terrace vacation rate and the Spring Gardens fire hydrant charge. Approving SSU's request will also result in implementing uniform miscellaneous service, meter installation, service installation, and main extension charges. SSU has submitted tariff sheets reflecting these rates and charges.

Regarding SSU's request to implement the rules and classifications included in its consolidated tariff, our policy is to require utilities to update their tariffs reflecting the model

tariff in conjunction with rate case proceedings. SSU's consolidated tariff reflects this model tariff. The Spring Gardens system's tariff also reflects the model tariff. While the Valencia Terrace system's tariff has not been updated to reflect the model tariff, it contains essentially the same rules.

As stated earlier, implementing SSU's rules will result in eliminating the Valencia Terrace vacation rate. The Valencia Terrace system's tariff contains a provision allowing the utility to charge a stand-by charge equal to 50% of its base facility charge for customers who have their service temporarily disconnected. The utility has stated that it does not charge this stand-by charge.

We find it appropriate for SSU to implement the rules in its consolidated tariff for the Spring Gardens and Valencia Terrace systems because the customers will not be adversely affected by this action since the Spring Gardens system already follows these rules, and the Valencia Terrace system would have been required to adopt these rules if it had filed an application for a rate increase in recent years. Our practice is to eliminate provisions for vacation rates and, instead, implement the base facility charge during rate case proceedings. Since the utility does not utilize this charge, eliminating it will not adversely affect any customers.

We also find it appropriate for SSU to adopt the classifications in its consolidated tariff. These classifications are the same for SSU and Lake Utilities, with the exception of the Spring Gardens' public fire protection class of service. As stated above, implementing SSU's classifications will result in eliminating the Spring Gardens fire hydrant charge. The utility has stated that the Spring Gardens system does not have any fire hydrant customers. SSU has eliminated fire hydrant charges from its tariff. We hereby approve eliminating the fire hydrant class of service. Eliminating this charge will not adversely affect existing customers since the utility does not charge these rates.

We further find it appropriate for SSU to implement the service availability policies contained in its consolidated tariff. SSU's policy is considerably more detailed than that contained in the Lake Utilities' tariffs. Since SSU's policies will apply to future customers, we find that the existing customers will not be adversely harmed by this action.

Our approved miscellaneous service charges for Lake Utilities and SSU are shown on Schedule No. 6. SSU and the Spring Gardens system charge the same miscellaneous service charges. The Valencia

Terrace system has not been authorized to collect miscellaneous service charges. Rule 25-30.345, Florida Administrative Code, permits utilities to assess miscellaneous services charges, thereby allowing a utility to recover its costs of providing miscellaneous services from those customers requiring the services. Accordingly, these costs are more closely borne by the cost causer rather than the general body of ratepayers.

Second Revised Staff Advisory Bulletin No. 13 encourages utilities to establish charges for the services of initial connection, normal reconnection, violation reconnection and premises visit in lieu of disconnection. Utilities should be encouraged to establish charges for the services of initial connection, normal reconnection, violation reconnection, and premises visit in lieu of disconnection. Further, because utilities are usually required to adopt these charges in conjunction with rate case proceedings, we find it appropriate for SSU to continue these charges for the Spring Gardens system and adopt them for the Valencia Terrace system.

SSU has also requested approval to maintain the Spring Gardens system capacity charge. We find it appropriate for SSU to continue collecting the currently approved charge. However, SSU's tariff sheets list the system capacity charge as a plant capacity charge. This is incorrect and could result in an overcharge to future customers. A system capacity charge includes a portion of the cost of the plant, as well as a portion of the cost of the lines. A plant capacity charge, however, represents only the cost of the plant. SSU's categorization of the existing Spring Gardens system capacity charge as a plant capacity charge makes it possible that a main extension charge will be incorrectly added, resulting in double charging on the cost of the mains. Therefore, SSU shall continue charging the existing Spring Gardens system capacity charge for water and wastewater; however, SSU shall file revised tariff sheets listing the charge as a system capacity charge rather than a plant capacity charge. The tariff sheets shall be effective for service rendered or connections made on or after the stamped approval date, provided customers have received notice. The tariff sheets will be approved upon staff's verification that the tariffs are consistent with the Commission decision and that the proposed customer notice is adequate. In no event shall the rates be effective for service rendered prior to the stamped approval date. Our approved service availability charges for SSU are shown on Schedule No. 6.

SSU has further requested approval to implement its meter installation, service installation, and main extension charges. These charges enable a utility to recover a portion of its costs in

providing utility service. Since SSU will be providing these services, the charges contained in SSU's tariff should be more representative of SSU's true cost rather than those contained in Lake Utilities' tariffs. Further, SSU's proposed charges are those charges currently being charged to most of SSU's existing customers. Accordingly, implementing these charges will promote non-discriminatory treatment for all of SSU's future customers. Ideally, it would be more appropriate to address these changes in a service availability case. However, we find it appropriate to approve SSU's request to implement its meter installation, service installation, and main extension charges at this time.

Initially, we were concerned about making such changes without a closer examination of the utility's service availability charges and policy. But, our concern is mitigated by the fact that these charges will not affect existing customers and SSU will be filing an application for a change in its service availability charges in the near future. By Order No. PSC-93-0423-FOF-WS, issued March 22, 1993, we ordered SSU to file an application for a change in its service availability charges within two years of the issuance date of that Order. SSU has not yet filed that application. Therefore, we find it appropriate to require SSU to add these systems in its future application for a change in its service availability charge.

Upon expiration of the protest period, if there are no timely protests, no further action will be required, and this docket shall be closed.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that the transfer of facilities in Citrus and Lake Counties from Lake Utilities, Ltd., to Southern States Utilities, Inc., the cancellation of Water Certificates Nos. 442-W and 205-W and Wastewater Certificates Nos. 372-S and 150-S, and the amendment of Water Certificates Nos. 189-W and 106-W and Wastewater Certificates Nos. 134-S and 120-S are hereby approved. It is further

ORDERED that each of the findings made in the body of this Order and in the attachment and schedules attached hereto are by references incorporated herein. It is further

ORDERED that all matters contained in the body of this Order are hereby approved in every respect. It is further

ORDERED that Southern States Utilities, Inc., shall file revised tariff sheets, an executed and recorded copy of the warranty deed, and evidence that Southern States Utilities, Inc.,

has obtained the necessary easements, within thirty days of the issuance date of this Order. It is further

ORDERED that rate base, for purposes of the transfer, which reflects the net book value, is \$13,279 for the Spring Gardens water system, \$34,327 for the Spring Gardens wastewater system, \$14,395 for the Valencia Terrace water system, and \$374,707 for the Valencia Terrace wastewater system. It is further

ORDERED that Southern States Utilities, Inc., shall continue charging the monthly service rates and customer deposits approved for the Spring Gardens and Valencia Terrace systems. It is further

ORDERED that Southern States Utilities, Inc., shall convert the Valencia Terrace system's consumption charges to a per 1,000 gallon basis. It is further

ORDERED that Southern States Utilities, Inc., shall eliminate the Valencia Terrace vacation rate and the Spring Gardens public fire protection charge. It is further

ORDERED that Southern States Utilities, Inc., shall implement its uniform rules, classifications, service availability policy, miscellaneous service, meter installation, service installation, and main extension charges included in its consolidated tariff. It is further

ORDERED that Southern States Utilities, Inc., shall continue charging the Spring Gardens system capacity charge, and it shall file revised tariff sheets appropriately reflecting the charge as a system capacity charge. The revised tariff sheets shall be effective for service rendered or connections made on or after the stamped approval date, provided customers have received notice. The tariff sheets will be approved upon staff's verification that the tariffs are consistent with the Commission's decision and that the proposed customer notice is adequate. In no event shall the rates be effective for service rendered prior to the stamped approval date. It is further

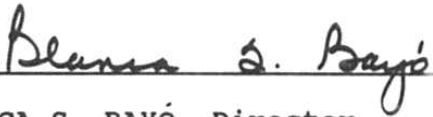
ORDERED that the provisions of this Order establishing rate base for purposes of the transfer, finding that an acquisition adjustment for purposes of the transfer is not appropriate, and eliminating the vacation rate and reclassifying charges in this Order are issued as proposed agency action, and shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-08070, by the close of business

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on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event that this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 28th day of February, 1995.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

Commissioner J. Terry Deason dissented on the issue that a negative acquisition adjustment should not be included in the calculation of rate base for transfer purposes.

(S E A L)

ELS

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our actions establishing rate base for purposes of the transfer, not using a negative acquisition adjustment for purposes of the transfer, and eliminating the vacation rate and reclassifying certain charges in this Order are preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at her office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 21, 1995. In the absence of such a petition, this order shall become effective on the date subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If the relevant portion of this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

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Any party adversely affected by the Commission's final action in this matter may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

ATTACHMENT A

Lake Utilities, Ltd. - Citrus County - Spring Gardens

TERRITORY DESCRIPTION

The following described lands located in portions of Section 27, Township 19 South, Range 17 East, Citrus County, Florida:

Commence at the Northeast corner of the Southeast 1/4 of Section 27, Township 19, Range 17, thence run Southerly along the East line of said Section 27, a distance of 340 feet, more or less, thence run South 89° 37' 07" West, a distance of 710 feet, more or less to the Point of Beginning, said Point of Beginning also being the Southeast corner of Unit 2, of Homosassa as recorded in Plat Book 1, Page 44, Public Records of Citrus County, Florida. Thence South 89° 37' 07" West along the South line of said Unit No. 2 of Homosassa, a distance of 640.46 feet, thence North 00° 22' 53" West, a distance of 534.92 feet, thence South 89° 35' 27" West, a distance of 754.42 feet, thence South 04° 47' 14" West, a distance of 50 feet, thence South 85° 12' 46" East, a distance of 20 feet, thence South 18° 10' 34" West, a distance of 401.95 feet to a point on the Northeasterly Right-of-Way line of U.S. Highway No. 19, said point being 146 feet from and measured at a right angle to the centerline of said U.S. Highway No. 19, thence North 45° 23' 53" West along said Right-of-Way line, a distance of 469.80 feet, thence North 89° 37' 07" East, a distance of 34.93 feet, thence North 00° 22' 53" West, a distance of 895.91 feet, thence South 89° 37' 07" West, a distance of 460.25 feet to the Easterly Right-of-Way line of U.S. Highway No. 19, thence North 00° 22' 53" West along said Right-of-Way line, a distance of 66 feet, thence North 89° 37' 07" East, a distance of 250 feet, thence North 00° 22' 53" West, a distance of 600 feet, thence South 89° 37' 07" West, a distance of 175 feet, thence North 00° 22' 53" West, a distance of 16 feet, thence North 89° 37' 07" East, a distance of 165 feet, thence North 00° 22' 53" West, a distance of 463.58 feet, thence South 86° 31' 20" East, a distance of 240.45 feet, thence North 89° 37' 07" East, a distance of 299.79 feet, thence North 88° 52' 13" East, a distance of 723.66 feet, thence South 84° 40' 04" East, a distance of 75.33 feet, thence North 88° 15' 54" East, a distance of 56.46 feet, thence North 00° 22' 53" West, a distance of 213.84 feet, thence North 89° 37' 07" East, a distance of 80 feet, thence South 00° 22' 53" East, a distance of 211.94 feet, thence North 88° 15' 54" East, a distance of 79.05 feet, thence South 89° 50' 47" East, a distance of 411 feet, thence South 00° 22' 53" East, a distance of 1000 feet, thence South 89° 50' 47" East, a distance of 100 feet, thence South 00° 22' 53" East, a distance of 1465.32 feet to the Point of Beginning.

Lake Utilities, Ltd. - Lake County - Valencia Terrace

TERRITORY DESCRIPTION

The following described lands located in portions of Section 10, Township 19 South, Range 24 East, Lake County, Florida:

Commence at the Northeast corner of the Northwest 1/4 of the Southeast 1/4 of Section 10, Township 19 South, Range 24 East, run South 89° 58' 40" West along the North line of the Northwest 1/4 of the Southeast 1/4 for 375.0 feet, run thence South 0° 29' 10" West for 63.12 feet to the Point of Beginning, said Point of Beginning is on the South Right-of-Way of a County Road (Fruitland Park-Picciola Road) located on a curve concave to the South and having a radius of 1125.92 feet, run thence Westerly along the arc of said curve through a central angle of 4° 29' 09" for 88.15 feet to the end of said curve, run thence South 69° 33' 40" West along said Southerly Right-of-Way line of County Road for 391.40 feet to the beginning of a curve concave to the Northerly and having a radius of 1929.86 feet, run thence Westerly along the arc of said curve through a central angle of 39° 28' 30" for 1329.61 feet to the end of said curve, run thence North 70° 57' 50" West for 138.70 feet to a point on the Southerly Right-of-Way of said County Road that is 520 feet Easterly from the Easterly Right-of-Way line of U.S. Highways No. 27 and 441 when measured at right angles thereto, run thence South 24° 00' 40" East parallel to said Easterly Right-of-Way of said U.S. Highways No. 27 and 441 for 1584.79 feet, thence South 89° 53' 40" East for 273.64 feet, thence North 89° 58' 30" East for 375.0 feet, thence North 0° 29' 10" East for 806.95 feet, thence North 89° 58' 40" East for 909.32 feet to the Westerly Right-of-Way of Picciola Road, thence North 0° 27' 30" East along the Westerly Right-of-Way of said Picciola Road for 40.0 feet, thence South 89° 58' 40" West for 156.35 feet, thence North 0° 29' 10" East for 320 feet, thence North 89° 58' 40" East for 155.61 feet to said Westerly Right-of-Way of Picciola Road, run thence North 0° 27' 30" along said Right-of-Way for 82.80 feet, thence South 89° 58' 40" West for 155.57 feet, thence North 0° 29' 10" East for 176.0 feet, thence South 89° 58' 40" West for 175.0 feet, thence North 0° 29' 10" East for 156.88 feet to the Point of Beginning. All of the above property lying in Section 10, Township 19 South, Range 24 East, Lake County, Florida. Said property being also known as Valencia Terrace, a subdivision.

In Section 10, Township 19 South, Range 24 East, Lake County, Florida:

From the Southeast corner of the Northwest 1/4 of said section, proceed South along the Eastern boundary line of the Southwest 1/4 an approximate distance of 1630± feet. Then, proceed West an approximate distance of 345 feet to the Point of Beginning. From this Point of Beginning proceed North 24° 00' 40" West approximately 1560 feet; then, proceed North 70° 57' 50" West 354.3 feet to the beginning of a curve concave Southerly and having a radius of 1125.92 feet Westerly along said curve through a central angle of 04° 02' 40" an arc distance of 79.48 feet. Proceed Westerly along arc of said curve through a central angle of 12° 12' 47" an arc distance of 240 feet to the Eastern Right-of-Way line of Highway No. 27 and 441. Proceed South 24° 00' 40" East approximately 1650± feet; then, proceed South 89° 53' 40" East 300 feet; then, proceed South 24° 00' 40" East 110 feet; then, proceed South 89° 53' 40" East 783.37 feet to Point of Beginning.

In Section 10, Township 19 South, Range 24 East, Lake County, Florida:

The South 880 feet of the Northeast 1/4 of the Southeast 1/4 of said Section 10, LESS the South 75 feet of the East 160.27 feet thereof.

AND

The North 50 feet of the Southeast 1/4 of the Southeast 1/4 of said Section 10, LESS the East 160.27 feet thereof.

In Section 11, Township 19 South, Range 24 East, Lake County, Florida:

That part of the South 880 feet of the North 1/2 of the fractional Southwest 1/4 of said Section 11, LESS that part of the South 75 feet thereof lying South and West of a canal.

SCHEDULE NO. 1-A

LAKE UTILITIES, LTD. - CITRUS COUNTY - SPRING GARDENS SYSTEM

SCHEDULE OF WATER RATE BASE

As of September 15, 1993

<u>DESCRIPTION</u>	<u>BALANCE PER UTILITY</u>	<u>COMMISSION ADJUSTMENTS</u>	<u>BALANCE PER COMMISSION</u>
Utility Plant in Service	\$61,859	(\$ 2,423) (1)	\$59,436
Land	\$ 2,250	0	\$ 2,250
Accumulated Depreciation	(\$38,237)	\$ 5,085 (2)	(\$33,152)
Contributions- in-aid-of- Construction	(\$31,505)	(\$ 220) (3)	(\$31,725)
CIAC Amortization	<u>\$18,331</u>	<u>(\$ 1,861) (4)</u>	<u>\$16,470</u>
TOTAL	<u>\$12,698</u>	<u>\$ 581</u>	<u>\$13,279</u>

SCHEDULE NO. 1-B

LAKE UTILITIES, LTD. - CITRUS COUNTY - SPRING GARDENS SYSTEM

SCHEDULE OF WATER RATE BASE ADJUSTMENTS

<u>EXPLANATION</u>		<u>ADJUSTMENT</u>
Utility Plant in Service		
A. Increase to Acc# 307 to record plant additions for 1990		\$ 350
B. Increase to Acc# 334 to record plant additions for 1992		\$ 123
C. Decrease to Acc# 311 to remove 1 hp pump		(\$1,708)
D. Decrease to Acc# 305 to reclassify water tank to Acc# 330		(\$6,500)
E. Increase to Acc# 330 to reclassify water tank to proper account		\$6,500
F. Decrease to Acc# 340 to remove office furniture and equipment not included in sale of assets		<u>(\$1,188)</u>
	TOTAL	(1) <u>(\$2,423)</u>
Accumulated Depreciation		
A. To adjust balance per audit recalculation	(2)	<u>\$5,085</u>
Contributions-in-aid-of-Construction		
A. To adjust balance per audit recalculation	(3)	<u>(\$ 220)</u>
CIAC Amortization		
A. To adjust balance per audit recalculation	(4)	<u>(\$1,861)</u>

SCHEDULE NO. 2-A

LAKE UTILITIES, LTD. - CITRUS COUNTY - SPRING GARDENS SYSTEM

SCHEDULE OF WASTEWATER RATE BASE

As of September 15, 1993

<u>DESCRIPTION</u>	<u>BALANCE PER UTILITY</u>	<u>COMMISSION ADJUSTMENTS</u>	<u>BALANCE PER COMMISSION</u>
Utility Plant in Service	\$150,155	\$ 10,546 (1)	\$160,701
Land	\$ 21,200	0	\$ 21,200
Accumulated Depreciation	(\$112,395)	\$ 10,123 (2)	(\$102,272)
Contributions- in-aid-of- Construction	(\$ 70,560)	(\$ 1,750) (3)	(\$ 72,310)
CIAC Amortization	<u>\$ 29,754</u>	<u>(\$ 2,746) (4)</u>	<u>\$ 27,008</u>
TOTAL	<u>\$ 18,155</u>	<u>\$ 16,173</u>	<u>\$ 34,327</u>

SCHEDULE NO. 2-B

LAKE UTILITIES, LTD. - CITRUS COUNTY - SPRING GARDENS SYSTEM

SCHEDULE OF WASTEWATER RATE BASE ADJUSTMENTS

<u>EXPLANATION</u>		<u>ADJUSTMENT</u>
Utility Plant in Service		
A. Increase to Acc# 371 to record plant additions for 1993		\$ 1,879
B. Decrease Acc# 390 to remove office furniture and equipment		(\$ 1,188)
C. Increase to Acc# 382 to record plant additions for 1989		<u>\$ 9,855</u>
	TOTAL	(1) <u>\$10,546</u>
Accumulated Depreciation		
A. To adjust balance per audit recalculation	(2)	<u>\$10,123</u>
Contributions-in-aid- of-Construction		
A. To adjust balance per audit recalculation	(3)	<u>(\$ 1,750)</u>
CIAC Amortization		
A. To adjust balance per audit recalculation	(4)	<u>(\$ 2,746)</u>

SCHEDULE NO. 3-A

LAKE UTILITIES, LTD. - LAKE COUNTY - VALENCIA TERRACE SYSTEM

SCHEDULE OF WATER RATE BASE

As of September 15, 1993

<u>DESCRIPTION</u>	<u>BALANCE PER UTILITY</u>	<u>COMMISSION ADJUSTMENTS</u>	<u>BALANCE PER COMMISSION</u>
Utility Plant in Service	\$254,474	(\$176,628) (1)	\$ 77,846
Land	\$ 1,191	0	\$ 1,191
Accumulated Depreciation	(\$ 80,619)	\$ 30,128 (2)	(\$ 50,491)
Contributions- in-aid-of- Construction	(\$ 18,787)	\$ 355 (3)	(\$ 18,432)
CIAC Amortization	<u>\$ 7,286</u>	<u>(\$ 3,005) (4)</u>	<u>\$ 4,281</u>
TOTAL	<u>\$163,545</u>	<u>(\$149,150)</u>	<u>\$ 14,395</u>

SCHEDULE NO. 3-B

LAKE UTILITIES, LTD. - LAKE COUNTY - VALENCIA TERRACE SYSTEM

SCHEDULE OF WATER RATE BASE ADJUSTMENTS

<u>EXPLANATION</u>		<u>ADJUSTMENT</u>
Utility Plant in Service		
A. Decrease to Acc# 334 to remove double counting of meters		(\$ 14,700)
B. Decrease to Acc# 331 to reclassify plant additions at Lakeside Terrace development		(\$301,500)
C. Increase to Acc# 310 to reclassify plant additions at Lakeside Terrace development		\$ 21,124
D. Increase to Acc# 331 to reclassify plant additions at Lakeside Terrace development		\$ 93,488
E. Increase to Acc# 334 to record correct value for meters used at Lakeside Terrace development		<u>\$ 24,960</u>
	TOTAL (1)	<u>(\$176,628)</u>
Accumulated Depreciation		
A. To adjust balance per audit recalculation	(2)	\$ 30,128
Contributions-in-aid-of-Construction		
A. To adjust balance per audit recalculation	(3)	\$ 355
CIAC Amortization		
A. To adjust balance per audit recalculation	(4)	(\$ 3,005)

SCHEDULE NO. 4-A

LAKE UTILITIES, LTD. - LAKE COUNTY - VALENCIA TERRACE SYSTEM

SCHEDULE OF WASTEWATER RATE BASE

As of September 15, 1993

<u>DESCRIPTION</u>	<u>BALANCE PER UTILITY</u>	<u>COMMISSION ADJUSTMENTS</u>	<u>BALANCE PER COMMISSION</u>
Utility Plant in Service	\$297,770	\$161,927 (1)	\$459,697
Land	\$ 2,460	. 0	\$ 2,460
Accumulated Depreciation	(\$ 93,225)	\$ 19,523 (2)	(\$ 73,702)
Contributions- in-aid-of- Construction	(\$ 19,429)	\$ 1,690 (3)	(\$ 17,739)
CIAC Amortization	<u>\$ 5,025</u>	<u>(\$ 1,034) (4)</u>	<u>\$ 3,991</u>
TOTAL	<u>\$192,601</u>	<u>\$182,106</u>	<u>\$374,707</u>

SCHEDULE NO. 4-B

LAKE UTILITIES, LTD. - LAKE COUNTY - VALENCIA TERRACE SYSTEM

SCHEDULE OF WASTEWATER RATE BASE ADJUSTMENTS

<u>EXPLANATION</u>	<u>ADJUSTMENT</u>
Utility Plant in Service	
A. Increase to Acc# 360 to reclassify plant additions at Lakeside Terrace development	\$ 3,288
B. Increase to Acc# 361 to reclassify plant additions at Lakeside Terrace development	\$107,729
C. Increase to Acc# 370 to reclassify plant additions at Lakeside Terrace development	\$ 39,112
D. Increase to Acc# 380 to reclassify plant additions at Lakeside Terrace development	<u>\$ 11,798</u>
TOTAL	(1) <u>\$161,927</u>
Accumulated Depreciation	
A. To adjust balance per audit recalculation	(2) \$ 19,523
Contributions-in-aid- of-Construction	
A. To adjust balance per audit recalculation	(3) \$ 1,690
CIAC Amortization	
A. To adjust balance per audit recalculation	(4) (\$ 1,034)

MONTHLY RATES AND CHARGES OF
LAKE UTILITIES, LTD.

WATER

Monthly Service Rates

	<u>Spring</u> <u>Gardens</u>	<u>Valencia</u> <u>Terrace</u>
<u>Residential Service</u>		
<u>Base Facility Charge</u>		
<u>Meter Size:</u>		
5/8" x 3/4"	\$ 6.88	\$ 6.39
3/4"	10.32	---
1"	17.20	15.99
1-1/2"	34.40	31.96
2"	55.04	51.14
3"	110.08	---
4"	172.00	---
6"	344.00	---
Gallonage Charge		
per 1,000 gallons:	\$ 1.03	\$.67
Consumption Charge		
per 100 Cubic Feet:	---	.50
<u>General Service</u>		
<u>Base Facility Charge</u>		
<u>Meter Size:</u>		
5/8" x 3/4"	\$ 6.88	\$ 6.39
3/4"	10.32	---
1"	17.20	15.99
1-1/2"	34.40	31.96
2"	55.04	51.14
3"	110.08	102.28
4"	172.00	159.81
6"	344.00	---
Gallonage Charge		
per 1,000 gallons:	\$ 1.03	\$.67
Consumption Charge		
per 100 Cubic Feet	---	.50

Monthly Service Rates Continued

Public Fire Protection Service

Flat Rate Per Occurrence,
 Per Hydrant \$ 50.00 N/A

WASTEWATER

Monthly Service Rates

	<u>Spring Gardens</u>	<u>Valencia Terrace</u>
<u>Residential Service</u>		
<u>Base Facility Charge</u>		
<u>All Meter Sizes:</u>	\$ 8.31	\$ 8.49
Gallonage Charge		
per 1,000 gallons		
up to 6,000 gallons:	\$ 2.48	\$ ---
Gallonage Charge		
per 1,000 gallons		
up to 9,725 gallons:	\$ ---	\$ 1.56
Consumption Charge		
per 100 cubic feet,		
up to 1,300 cubic feet:	---	1.17
<u>General Service</u>		
<u>Base Facility Charge</u>		
<u>Meter Size:</u>		
5/8" x 3/4"	\$ 8.31	\$ 8.49
3/4"	12.47	---
1"	20.78	21.22
1-1/2"	41.57	42.49
2"	66.51	67.91
3"	133.01	135.97
4"	207.83	212.47
6"	415.66	---
Gallonage Charge		
per 1,000 gallons:	\$ 2.98	\$ 1.56
Consumption Charge		
per 100 cubic feet:	---	1.17

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Customer Deposits

	<u>Spring Gardens</u>	<u>Valencia Terrace</u>
<u>Water:</u>		
Residential	\$ 30.00	\$ 10.00
General Service	60.00	10.00
<u>Wastewater:</u>		
Residential	37.00	10.00
General Service	120.00	10.00

COMPARISON OF CHARGES OF LAKE UTILITIES, LTD.
AND SOUTHERN STATES UTILITIES
FOR WHICH A CHANGE WAS REQUESTED

Miscellaneous Service Charges

	<u>Spring Gardens</u>	<u>Valencia Terrace</u>	<u>SSU</u>
Initial Connection	\$15.00	\$ N/A	\$15.00
Normal Reconnection	15.00	N/A	15.00
Violation Reconnection:			
Water	15.00	N/A	15.00
Wastewater	Actual Cost	N/A	Actual Cost
Premises Visit (in lieu of disconnection)	10.00	N/A	10.00

Service Availability Charges

	<u>Spring Gardens Existing Charges</u>	<u>Valencia Terrace Existing Charges</u>	<u>SSU Proposed Charges</u>
System Capacity Charge			
Water:			
Residential - per ERC (350 GPD)	\$ 95.00	\$ N/A	\$ N/A
All others - per gallon	.27	N/A	N/A
Wastewater:			
Residential - per ERC (280 GPD)	\$700.00	\$ N/A	\$ N/A
All others - per gallon	2.50	N/A	N/A

Service Availability Charges continued

Plant Capacity Charge

Water:

Residential - per ERC (350 GPD)	\$ N/A	\$ N/A	\$ 95.00
All others - per gallon	N/A	N/A	.27

Wastewater:

Residential - per ERC (280 GPD)	\$ N/A	\$ N/A	\$700.00
All others - per gallon	N/A	N/A	2.50

Main Extension Charge

Water:	\$ N/A	\$ N/A	Actual Cost Less 20%
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Wastewater:

8" and under	\$ N/A	\$ 5.50 (front footage)	Actual Cost Less 20%
10"	N/A	7.50 (front footage)	Actual Cost Less 20%
12" and over	N/A	10.50 (front footage)	Actual Cost Less 20%

Meter Installation Fee

5/8" x 3/4"	\$ ---	\$ N/A	\$ 75.00
3/4"	---	N/A	85.00
1"	75.00	N/A	100.00
1-1/2"	---	N/A	175.00
2"	200.00	N/A	Actual Cost
Over 2"	---	N/A	Actual Cost

Meter Installation Fee and
 Water Customer Connection
 (Tap-in) Charge

5/8" x 3/4"	\$ N/A	\$ 60.00	\$ N/A
1"	N/A	115.00	N/A
1-1/2"	N/A	260.00	N/A
Over 1-1/2"	N/A	Actual Cost	N/A

Wastewater Customer
 Connection (Tap-in) Charge

5/8" x 3/4"	\$ N/A	\$ 60.00	\$ N/A
Over 5/8" x 3/4"	N/A	Actual Cost	N/A

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Service Availability Charges continued

Service Line Installation Charge

Water:

Short Line	\$	N/A	\$	N/A	\$150.00
Long Line Unpaved		N/A		N/A	175.00
Long Line Paved		N/A		N/A	200.00

Wastewater:

Short Line	\$	N/A	\$	N/A	\$350.00
Long Line Unpaved		N/A		N/A	450.00
Long Line Paved		N/A		N/A	650.00