

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for rate) DOCKET NO. 940917-WS
increase in Seminole, Orange,) ORDER NO. PSC-95-0574-FOF-WS
and Pasco Counties by UTILITIES,) ISSUED: May 9, 1995
INC. OF FLORIDA)
_____)

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

NOTICE OF PROPOSED AGENCY ACTION

ORDER GRANTING FINAL RATES AND CHARGES

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is 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.

BACKGROUND

Utilities, Inc. of Florida (UIF or utility), on a total company basis, is a Class A utility providing water and wastewater service to systems in the following counties: Marion, Orange, Pasco, Pinellas, and Seminole. Involved in this application are fifteen systems: eleven systems in Seminole County, three systems in Orange County, and one in Pasco County. According to the minimum filing requirements submitted by the utility, UIF's Seminole County water systems serve 2,614 customers, its Seminole County wastewater system serves 1,391 customers, its Orange County water systems serve 359 customers, and its Pasco County water system serves 595 customers.

The Seminole and Orange County systems are located in the St. Johns River Water Management District Water Conservation Area as designated by the Governing Board of the Water Management District. The Orangewood system, located in Pasco County, has been designated as a water use caution area by the Southwest Florida Water Management District. Water use caution areas are areas that have

DOCUMENT NUMBER-DATE

04531 MAY-95

FPSC-RECORDS/REPORTING

water supply problems that have become critical or are anticipated to become critical within the next 20 years.

The utility's test year is the calendar year 1993. In 1993, the utility recorded revenues of \$523,116 from the Seminole County water systems, \$359,090 from the Seminole County wastewater system, \$77,353 from the Orange County water systems, and \$90,896 from the Pasco County water system. Final rates have been requested for all systems mentioned above.

The application for approval of interim and final rates was filed on November 17, 1994, pursuant to Sections 367.081 and 367.082, Florida Statutes. After reviewing the minimum filing requirements submitted by the utility, we established November 29, 1994, as the official date of filing. The utility has requested that we handle its request as Proposed Agency Action. We granted, by Order No. PSC-95-0191-FOF-WS, issued February 9, 1995, interim revenues for UIF's systems in Seminole, Orange, and Pasco County (Orangewood) in the amount of \$572,981, \$97,090, and \$102,233, respectively.

In its filing, the utility states that a rate increase is necessary because the utility is earning less than a fair rate of return on its investment. We granted the last general rate increase for the Seminole and Orange County systems in 1981 (Order No. 10049, issued on June 9, 1981) and in 1989 (Order No. 21552, issued on July 17, 1989) for the Orangewood system in Pasco County. We granted index and pass-through increases in August, 1994.

We conducted customer meetings at the Orangewood Village Civic Association on February 1, 1995, and at the Springlake Elementary School on February 2, 1995. Five customers testified at the Orangewood Village Civic Association regarding the Pasco County system and six customers of the Seminole and Orange County systems testified at the Springlake Elementary School. One customer at the Springlake Elementary School expressed concerns regarding the accuracy of her water meter. The company responded to the customer's concern in its letter dated February 17, 1995. The field test results showed the meter meeting standards.

QUALITY OF SERVICE

Our analysis of the overall quality of service provided by the utility is derived from quality of the utility's product (water and/or wastewater), operational condition of the utility's plant or facilities and customer satisfaction. We have also considered the utility's current compliance with Department of Environmental

Protection (DEP) and Health Department (water and wastewater) standards.

Quality of Utility's Product

The utility has requested increased rates for the following water (WTP) and wastewater systems (WWTP):

SEMINOLE COUNTY Bear Lake WTP, Crystal Lake WTP, Jansen WTP, Little Wekiva WTP, Oakland Shores WTP, Park Ridge WTP, Phillips Section WTP, Ravenna Park WTP, Weathersfield WTP, Ravenna Park WWTP, Weathersfield WWTP

ORANGE COUNTY Crescent Heights WTP, Davis Shores WTP, Druid Isle WTP

PASCO COUNTY Orangewood WTP

An Engineering field inspection of the listed facilities was performed during the week beginning January 22, 1995. There are no DEP violations pending at any site. The Phillips Section plant has unusually high iron content which is being treated with a chemical iron remover. Utilities are required by DEP regulations to maintain a residual chlorine level of 0.2 milligrams per liter (mg/l) at a point furthest from the treatment facility. Water samples drawn and tested at each treatment plant and at a minimum of one remote site in each distribution system revealed 100% compliance with DEP regulations. Overall, the quality of the product delivered to the customers from the water treatment plants and the effluent from the wastewater plants meets all DEP health and safety regulations.

Operational Condition of the Utility's Plant or Facilities

With the exception of the Weathersfield WWTP and the Crescent Heights WTP, all of the above listed treatment plants are operating in compliance with all DEP regulations. They appeared to be well maintained and neat in appearance. The Weathersfield WWTP and the Crescent Heights WTP have been taken off line.

Customer Satisfaction

There have been no customer complaints or dissatisfaction expressed to date concerning the quality of service provided by UIF. Based on that, and our findings during the inspection, we

find the quality of service provided by UIF to its customers to be satisfactory.

RATE BASE

Our calculation of the appropriate rate base for each county for the purpose of this proceeding are attached as Schedules Nos. 1-A and 1-B and the adjustments to rate base are attached as Schedule No. 1-C. 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.

Removal of AFUDC Charges

The utility included a provision for Allowance For Funds Used During Construction (AFUDC) in its rate base using a rate of 8.63%. Utilities, Inc. of Florida has not been previously granted approval of any AFUDC rate by this Commission. Its application in this docket states that the utility's regulated AFUDC rate is equal to the utility's requested overall weighted cost of capital.

According to Rule 25-30.116 (5), Florida Administrative Code, "No utility may charge or change its AFUDC rate without prior Commission approval. The new AFUDC rate shall be effective the month following the end of the 12-month period used to establish that rate and may not be retroactively applied to a previous year unless authorized by the Commission." The effective date of the rule is August 11, 1986.

Additionally, Staff Advisory Bulletin No. 31, issued January 27, 1986, states:

If a utility has not received an approved AFUDC rate from this Commission, the utility may petition the Commission to establish a rate and for authority to apply the rate retroactively to previous years. If the Commission declines to grant the petition for retroactive application, any AFUDC charged between August 11, 1986, and the effective date of a utility's approved AFUDC rate established by order of this Commission would not be allowed in determining the appropriate rates and charges of the utility.

UIF accrued AFUDC from 1988 through December 1993, even though it did not have an approved rate.

Mid-County Services, Inc. (Mid-County) is a wholly-owned subsidiary of Utilities, Inc. In Mid-County's last rate case, Docket No. 921293-SU, the company accrued AFUDC charges without our prior approval. In its recommendation, staff advised us that since the utility did not have a prior approved AFUDC rate, the charges should be removed. However, at the agenda conference, the utility persuaded us that the accrued charges should remain in rate base. In Order No. PSC-93-1713-FOF-SU, issued on November, 30, 1993, we approved the retroactive treatment of the AFUDC charges. The order states:

In this instance, we find it appropriate to retroactively approve the AFUDC rate for this utility. Since the acquisition of this utility in 1991, Utilities, Inc., has made substantial plant upgrades to bring this utility into compliance with the current DEP standards. Upon consideration, this rate shall be applied retroactively with an effective date beginning May 1, 1991.

By the actions in the Mid-County case, we find that the utility was specifically noticed of the Commission's past history of denying retroactive application of an AFUDC rate. We further believe, that if this utility was truly concerned about this issue, it would have filed an AFUDC application soon after the order was issued in the Mid-County rate case. However, we do note that after the staff audit report was issued, which recommended removal of the accrued AFUDC charges, Utilities, Inc. filed a petition for approval of AFUDC rates for all of its systems, under our jurisdiction, that do not have approved AFUDC rates.

Based on the above, we find it appropriate to remove the accrued AFUDC charges. The following adjustments shall be made to remove the AFUDC charges from rate base. Adjustments shall be made to decrease the following accounts:

	<u>PLANT IN SERVICE</u>	<u>ACCUMULATED DEPRECIATION</u>	<u>DEPRECIATION EXPENSE</u>
SEMINOLE CO-WATER	\$ 16,354	\$ 1,507	\$ 472
SEMINOLE CO-WASTEWATER	\$ 702	\$ 33	\$ 37
ORANGE CO	\$ 2,288	\$ 188	\$ 56
PASCO CO-ORANGEWOOD	\$ 3,070	\$ 280	\$ 154

Reduction of Plant in Service

Audit Exception No. 5 reported that the utility booked \$1,500 to the Seminole County wastewater plant in service account for a

survey that should have been booked to Lake Tarpon, a system not included in this rate case. We find it appropriate that plant in service for the wastewater system shall be reduced by \$1,500. In addition, depreciation expense and accumulated depreciation shall be reduced by \$50.

Audit Exception No. 5 also stated that the 1993 test year invoices included \$870 of capitalized items that should have been expensed. Accordingly, the Seminole County wastewater system plant in service accounts shall be reduced by \$452 to remove amounts related to grouting costs, and by \$418 to remove costs for management services. Depreciation expense and accumulated depreciation shall also be reduced by \$12 and \$23, respectfully, for the corresponding adjustments to plant. Consequently, Operation and Maintenance Expenses contractual services - other, shall be increased by \$870 to reflect the test year expenses which were previously capitalized.

Based on the above, plant in service shall be reduced by \$2,370. Depreciation expense and accumulated depreciation shall both be reduced by \$85. In addition, contractual services - other shall be increased by \$870.

Reallocation of Common Plant

UIF allocates its common plant to its divisions based on customer equivalents. For the test year, UIF had a total of \$572,623 in common water plant, of which \$209,752 was allocated to Seminole County water, \$98,148 to Seminole wastewater, \$21,244 to Orange County, and \$36,556 to Pasco County (Orangewood).

According to our audit report, the common plant allocation of \$572,623 included capitalized organization costs of \$57,341, identifiable plant of \$144,841 and common plant of \$370,442. The audit report recommends that the \$144,841 can be specifically attributed to particular systems and is not common plant. Adjustments shall be made to include this plant in the specific system to which it relates. The total specifically identifiable plant for the systems in this rate case is \$131,253. In its response to the audit, the company agreed that an adjustment should be made to reclassify this common plant. Therefore, we find it appropriate to make the following adjustments to increase plant in service, accumulated depreciation and depreciation expense for this rate case:

	<u>PLANT IN SERVICE</u>	<u>ACCUMULATED DEPRECIATION</u>	<u>DEPRECIATION EXPENSE</u>
SEMINOLE CO-WATER	\$ 101,518	\$ 47,012	\$ 5,537
ORANGE CO	\$ 12,415	\$ 6,106	\$ 717
PASCO CO-ORANGEWOOD	\$ 17,320	\$ 3,098	\$ 710

As stated in Audit Exception No. 4, the utility booked a mower to the West Coast Cost Center (WCCC) that should have been booked to Seminole and Orange Counties. The utility agrees that the mower should have been booked to Seminole and Orange Counties. Therefore, adjustments shall be made to remove the cost of the mower from WCCC and reallocate it to Seminole and Orange Counties. Based on this, we find it appropriate to make the following adjustments:

	<u>PLANT IN SERVICE</u>	<u>ACCUMULATED DEPRECIATION</u>	<u>DEPRECIATION EXPENSE</u>
SEMINOLE CO-WATER	\$ 4,437	\$ 63	\$ 277
SEMINOLE CO WASTEWATER	\$ 2,078	\$ 30	\$ 130
ORANGE CO	\$ 445	\$ 13	\$ 28
PASCO CO-ORANGEWOOD	\$ (1,817)	\$ (26)	\$ (114)

After the above adjustments are made it is necessary to reallocate the remaining balance of common plant. We find it appropriate to make the adjustments to reduce the common plant allocation for the systems included in this rate case as presented in the table below. We shall also make corresponding adjustments to decrease accumulated depreciation and depreciation expense.

	<u>PLANT IN SERVICE</u>	<u>ACCUMULATED DEPRECIATION</u>	<u>DEPRECIATION EXPENSE</u>
SEMINOLE CO-WATER	\$ 53,055	\$ 11,412	\$ 1,666
SEMINOLE-CO WASTEWATER	\$ 24,826	\$ 5,340	\$ 780
ORANGE CO	\$ 5,374	\$ 1,156	\$ 169
PASCO CO -ORANGEWOOD	\$ 9,247	\$ 1,989	\$ 290

Reallocation of Organization Costs

As stated in Issue No. 5, Audit Exception No. 4 reported that UIF allocated common water plant to all of its systems based on customer equivalents. Staff auditors revealed that a portion of the allocated common plant was identifiable to specific systems. Organization costs of \$57,341 were included in the allocated common plant. These costs were incurred for the formation of UIF. We find it appropriate to remove the portion of organization costs

that relate to the systems involved in this case from the allocated plant in service and specifically identified to the systems that existed at the time of the organization of UIF. The Orangewood system was purchased after UIF was organized, and shall therefore not include any of the organization costs.

Consequently, adjustments shall be made to decrease plant in service by \$21,004 and \$9,828 for Seminole County water and wastewater system, respectively and by \$2,127 and \$3,660 for Orange County and the Orangewood system, respectively. There are no corresponding adjustments to decrease accumulated depreciation or depreciation expense for the allocated organization costs because the utility did not amortize these costs. Further, we find it appropriate to make the following adjustments to increase plant in service, accumulated depreciation, and depreciation expense to specifically identify the organization costs to the appropriate systems:

	<u>Seminole-Water</u>	<u>Orange</u>
Plant in Service	\$49,606	\$7,734
Accum Depreciation	20,559	3,206
Depreciation Expense	1,240	193

UIF agrees with the adjustment to reallocate the organization costs and specifically identify the amounts to the appropriate systems. However, the company does not agree with the "retroactive" adjustment to increase accumulated depreciation and depreciation expense for the amortization of organizational costs. The utility states that, "The Company does not amortize organizational costs, and the Commission's depreciation rule does not define this issue. Therefore, there should not be a retroactive adjustment to accumulated depreciation."

We find that this does not constitute a retroactive adjustment, rather a correction of an error. We are not requiring refunds or increase rates for the time-frame that the incorrect accounting occurred. This is merely a prior period adjustment. Every company is required to follow Generally Accepted Accounting Principles (GAAP) unless a rule or statute requires a method that deviates from GAAP. Although Rule 25-30.140, Florida Administrative Code, only specifically addresses tangible assets, the treatment of intangible assets is deferred to GAAP. GAAP has issued an opinion on the treatment of these intangible assets and the corresponding reserve accounts. According to GAAP, Accounting Principles Board (APB) Opinion No. 17, organization costs should be amortized by systematic charges to income over the period estimated to be benefited, not to exceed 40 years. We find that the aforementioned adjustments to accumulated depreciation and

depreciation expense relating to organization costs are appropriate.

Used and Useful

With the exception of the Crescent Heights WTP and the Lincoln Heights wastewater treatment system all facilities are either built out or have been determined to be 100% used and useful in past rate cases. Our calculations verify 100% used and useful in those systems. The utility has requested a 79.2% used and useful percentage for the Lincoln Heights system. Our calculations agree with the utility's; therefore we find 79.2% used and useful for the Lincoln Heights system. Prior to the 1993 test year, the Crescent Heights water treatment plant and well were taken off line because the system reached the size which requires two wells according to DEP regulations. A suitable well site could not be found in the area. The utility decided to become a bulk customer of the Orlando Utilities Commission and take the plant and well off line. That occurred before the start of the 1993 test year. Since the plant remains off line, we find 0% used and useful for the Crescent Heights WTP.

Margin Reserve

Since the utility did not request a margin reserve in this filing and we have found that the total plant is 100% used and useful, with noted exceptions, a margin reserve is unnecessary. Therefore, no margin reserve shall be included in the used and useful calculations for the water and wastewater treatment plants.

Working Capital

In its MFRs, the utility used the balance sheet method to compute its requested provision for working capital for Seminole, Orange and Pasco Counties. UIF requested \$131,789 as a working capital allowance for Seminole County. Of this amount, \$89,754 was allocated to its water system and \$42,044 to its wastewater system. The utility also requested \$9,428 for Orange county and \$11,168 for the Orangewood system.

We have reviewed the utility's balance sheet and its calculation of working capital. We find it appropriate to make the following adjustments to the utility's requested amounts.

The cash balances, in the utility's MFRs, are allocated portions of the average cash balance for UIF. UIF maintains a bank account in Florida that, through a series of wire transfers, deposits all monies received into an interest bearing account in

Chicago on a daily basis. Also, the balances for miscellaneous current and accrued assets are company deposits to secure electric and telephone service.

UIF is receiving interest revenues on both of the accounts illustrated above. Hence, to include them in the working capital calculation would allow the company to earn a second return on the same capital balance. Therefore, we find it appropriate to remove cash and miscellaneous current and accrued assets from the working capital calculation.

Also, the utility modified its requests for rate case expense, as explained in a later portion of this Order. Accordingly, we find it appropriate to revise the utility's unamortized rate case expense calculation.

Our calculation of working capital for the Orangewood system revealed a negative balance. However, when the working capital calculation nets a negative amount it has been our practice to use zero.

Based on the above, we find it appropriate to reduce working capital by the following amounts:

	<u>AMOUNT</u> <u>PER MFRS</u>	<u>COMMISSION'S</u> <u>ADJUSTMENTS</u>	<u>COMMISSION APPROVED</u> <u>AMOUNT</u>
SEMINOLE CO (WATER)	\$ 89,754	\$(50,938)	\$ 38,816
SEMINOLE CO (WASTEWATER)	\$ 42,044	\$(23,861)	\$ 18,183
ORANGE CO	\$ 9,428	\$(4,309)	\$ 5,119
PASCO CO (ORANGEWOOD)	\$ 11,168	\$(11,168)	\$ 0

Test Year Rate Base

Using the thirteen-month average balances, we find appropriate the following rate base totals of \$1,183,568 and \$470,836 for Seminole County water and wastewater, respectively, \$121,822 for Orange County and \$138,784 the Orangewood system in Pasco County. These represent a reduction of \$40,505 for Seminole County water and \$54,081 for Seminole County wastewater, \$1,485 for Orange County and \$12,445 for Pasco County (Orangewood), as compared to the company's requested rate bases.

COST OF CAPITAL

Our calculation of the appropriate cost of capital for each system is depicted on Schedule 2.

Intercompany Payables

According to our audit, the parent company (Utilities, Inc.) combines Intercompany Payables for all of its subsidiaries and then allocates a percentage of the total to its various utility systems on a customer equivalent basis. The audit indicated that the company incorrectly calculated the average balance for intercompany payables. The company acknowledged this error and agreed to the corrections recommended in the audit report. Therefore, we find it appropriate to reduce short term debt by \$17,224.

The utility's requested cost of capital included a cost rate of 9.47% for intercompany payables. The company computed this rate as the overall cost of debt for Utilities, Inc., after excluding the Florida debt. On March 12, 1993, the company entered into an interest swap agreement with Continental Bank of Illinois. This swap enabled the company to avoid \$42,657 in interest expense, which effectively lowered the cost rate on the intercompany payables. However, during a period of rising interest rates, this swap agreement could also increase the company's interest expense and its related cost of capital.

We find that the rate swap agreement should be treated as a non-utility investing activity of the company's shareholders. Consequently, we do not believe the utility's customers should bear the risk associated with this type of investment decision. We have reviewed the actual cost rate of 9.47% and believe it to be reasonable. Therefore, we find it inappropriate to make an adjustment to reduce the cost rate on the utility's intercompany payables.

Return on Equity

Based on the components of adjusted capital structure, as shown on Schedule No. 2, the equity ratio for Seminole, Pasco and Orange County is 43.42%. Using the current leverage formula approved in Order No. PSC-94-1051-FOF-WS, issued on August 29, 1994, the appropriate return on equity is 10.83%. Therefore, consistent with our past practice, we find that the appropriate range for the return on equity is 9.83% to 11.83%.

Accumulated Deferred Investment Tax Credits

For all of the systems filed, the utility included ITCs in the cost of capital at zero cost. For the Seminole County water system only, the utility reduced its income tax provision by the amortization of ITCs. This treatment is inconsistent with Section 46(f) of the Internal Revenue Code (IRC). Under this code section,

utilities were required to elect either Option 1 or 2 for the treatment of ITCs.

Under Option 1, the ITCs are included in the capital structure with a zero associated cost. In addition, the amortization of the ITCs is below the line and not reflected in the income tax expense included in the cost of service. On the other hand, Option 2 companies include ITCs in the capital structure at the weighted cost of debt the ITCs implicitly displace. In addition, the amortization of the ITCs is included above the line, as a deduction to the income tax expense included in cost of service.

In Seminole and Orange Counties, the treatment elected for ITCs was Option 1. Therefore, the only adjustment necessary is to remove the ITC amortization of \$2,356 for the Seminole County water system's income tax expense.

Through discovery, we found that the Orangewood system in Pasco County elected to treat ITCs as an Option 2 company, prior to UIF acquiring the system. Based on this, we find it appropriate to include the ITCs for the Orangewood system in the cost of capital at the weighted cost. Further, the income tax provision shall be reduced by \$2,356 to reflect the amortization of ITCs above the line.

Overall Rates of Return

Our calculation of overall rate of return is based on application of Commission practice and derived as shown in Schedule No. 2. Based upon the approved adjustments in previous issues, the appropriate overall rate of return is determined using the parent company's capital structure, with the parent's ratio of debt and equity each reconciled to the utility's rate base on a pro rata basis. We find an overall rate of return of 8.61% with a range of 8.17% to 9.04% for Seminole and Orange Counties, and 9.01% with a range of 8.58% to 9.45% for the Orangewood system in Pasco County is appropriate.

NET OPERATING INCOME

Our calculation of net operating income is depicted on Schedules Nos. 3-A and 3-B for each individual system. The schedule of adjustments to operating income is attached as Schedule No. 3-C. Those adjustments 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.

Excess Unaccounted for Water

The percentage of unaccounted for water was 4.7% for the overall company. Six systems exceeded ten percent (10%) unaccounted for water. We have established ten percent as our threshold for an acceptable level of unaccounted for water beyond which utilities were penalized by removal of excess dollars from those accounts pertaining to purchased power, chemicals, purchased water and any other accounts affected by the treatment process.

The utility has produced documentation showing the replacement dates of suspected inaccurate meters and other items that could cause an increase in unaccounted for water. We are satisfied that the problem has been addressed.

Rate Case Expense

The projected provision for total rate case expense per the MFRs is \$110,050, amortized over four years, to yield an annual expense of \$27,512. The utility subsequently submitted actual costs incurred with supporting documentation and an estimate to complete the PAA proceeding. The utility's revised rate case expense was \$63,885. Based on our analysis, we believe the revised rate case expense is reasonable and prudent.

Based on the above, we find it appropriate to reduce the utility's requested rate case expense by \$46,165. The components that make up rate case expense are as follows:

	<u>UTILITY'S MFRs</u>	<u>COMMISSION'S ADJUSTMENTS</u>	<u>COMMISSION APPROVED REDUCTION</u>
LEGAL FEES	\$ 50,000	\$(35,500)	\$14,500
IN-HOUSE FEES	43,500	(9,509)	33,991
MISC	11,550	(2,656)	8,894
FILING FEES	5,000	1,500	6,500
Total	<u>\$110,050</u>	<u>\$(46,165)</u>	<u>\$63,885</u>

The overall \$46,165 reduction to rate case expense is allocated to each system based on customer equivalents. The test year reductions are as follows: \$6,322 for Seminole County water and \$2,962 for Seminole wastewater, \$641 for Orange County and \$1,618 for the Orangewood system in Pasco County.

Test Year Operating Income

We find that the appropriate test year operating income before any provisions for increased revenues is \$59,213 for Seminole

County water and \$24,259 for Seminole County wastewater, \$149 for Orange County and \$5,508 for the Orangewood system.

REVENUE REQUIREMENT

Based upon our review of the utility's application and the adjustments discussed herein, the appropriate annual revenue requirement for each system is set forth below.

	<u>DOLLAR</u> <u>REVENUES</u>	<u>INCREASE</u>	<u>PERCENT</u> <u>INCREASE</u>
SEMINOLE CO-WATER	\$611,812	\$ 71,654	13.27%
SEMINOLE CO-WASTEWATER	\$397,287	\$ 27,323	7.39%
ORANGE COUNTY	\$100,880	\$ 17,357	20.78%
PASCO COUNTY	\$106,339	\$ 11,757	12.43%

These revenue requirements will allow the utility the opportunity to recover its operating expenses and earn a fair rate of return on its investment.

RATES AND RATE STRUCTURE

The final rates approved are designed to produce revenues of \$604,420 for the water service in Seminole County which is an increase of \$71,654 or 13.45%, \$393,824 for the wastewater service in Seminole County which is an increase of \$27,323 or 7.46%, \$98,406 for the water service in Orange County which is an increase of \$17,357 or 21.42%, and \$104,219 for water service in Pasco County (Orangewood) which is an increase of \$11,757 or 12.72%. The approved increases exclude miscellaneous service revenues and are designed using the base facility charge rate structure.

Rates

We evaluated the utility's requested change in the base facility charges for residential wastewater rates. We usually authorize a single base facility charge for residential wastewater service regardless of the meter size. Residential customers generally install large sized water meters to meet the need for a greater water pressure for irrigation purposes. Since the water used for irrigation is not returned to the system, there is no additional demand placed on the wastewater system by the larger residential meters. Therefore, we find it appropriate to approve a single base facility charge for residential wastewater customers.

We also evaluated the utility's request for the same wastewater gallonage charge for residential and general service

customers. We usually authorize a differential in the wastewater gallonage charge to reflect the allowance for water used for irrigation and other purposes where the water is not collected and treated by the wastewater system. Therefore, we find it appropriate to approve a differential wastewater gallonage charge for residential and general service customers.

We also find it appropriate to allow the utility to collect sewer charges for one customer in Seminole County based on a flat rate structure. We approved this flat rate charge on April 10, 1992, in an administrative tariff filing. The rate was approved since the customer was experiencing problems with the septic system. The customer continues to receive water service from a private well. We used an estimated average water usage, supplied by the utility, of the customers in the subdivision to fix a fair and equitable rate on this customer. The rate was based on 14,185 gallons consumption for a bi-monthly billing period.

EFFECTIVE DATE

The approved rates shall be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code, provided the customers have received notice. The rates may not be implemented until proper notice has been received by the customers. The utility shall provide proof of the date notice was given within 10 days after the date of the notice.

A comparison of the utility's original rates, interim rates, requested rates, and approved final rates is shown on Schedules No. 4.

STATUTORY FOUR YEAR DATE REDUCTION

Section 367.0816, Florida Statutes, requires that the rates be reduced immediately following the expiration of the four year period by the amount of rate case expense previously authorized in the rates. The reduction shall reflect the removal of revenues associated with the amortization of rate case expense and the gross-up for regulatory assessment fees which is \$9,161 for Seminole County water, \$4,291 for Seminole County Wastewater, \$927 for Orange County water, and \$2,345 for Pasco County (Orangewood) water. The reduction in revenues shall result in the approved final rates on Schedules No. 5.

The utility shall file revised tariffs no later than one month prior to the actual date of the required rate reduction. The

ORDER NO. PSC-95-0574-FOF-WS
DOCKET NO. 940917-WS
PAGE 16

utility shall also file proposed customer notices setting forth the lower rates and reason for the reductions.

If the utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data shall be filed for the price index and/or pass-through increase or decrease, and for the reduction in the rates due to the amortized rate case expense.

NO REFUND REQUIRED

By Order No. PSC-95-0191-FOF-WS, the utility's proposed rates were suspended and interim water rates were approved subject to refund, pursuant to Sections 367.082, Florida Statutes. The utility did not request interim rates for the Seminole County wastewater system.

According to Section 367.082, Florida Statutes, any refund should be calculated to reduce the rate of return of the utility during the pendency of the proceeding to the same level within the range of the newly authorized rate of return. Adjustments made in the rate case test period that do not relate to the period interim rates are in effect shall be removed.

In this proceeding, the test period for establishment of interim and final rates was the historical twelve months ended December 31, 1993. The approved interim rates did not include any provisions for proforma consideration of increased operating expenses or increased plant. The interim increase was designed to allow recovery of actual interest costs, and the floor of the last authorized range for equity earnings.

To establish the proper refund amount, we have calculated a revised interim revenue requirement utilizing the same data used to establish final rates. Rate case expense was excluded because it was not an actual expense during the interim collection period.

Using the principles discussed above, we have calculated the revenue requirements for the interim collection period to be \$615,969, \$101,014, and \$108,033 for Seminole and Orange Counties and for the Orangewood system, respectively. These revenue levels exceed the interim revenues previously granted in Order No. PSC-95-0191-FOF-WS. Therefore, we find that no refund is required.

OTHER ISSUES

Compliance With Uniform System of Accounts

Rule 25-30.140(4)(a), Florida Administrative Code, states that "All Class A and B utilities shall maintain depreciation rates and reserve activity by account as prescribed by this Commission." The utility maintains the depreciation reserve account in total for each water and wastewater division of UIF. For rate case purposes, the utility merely allocates the total expense by utility plant in service. We find it appropriate that the utility shall calculate depreciation expense by primary account and determine the correct reserve account balances on its books.

Similarly, the utility shall book all prior Commission adjustments to the correct reserve accounts. For example, in Order No. 10049, we ordered UIF to increase the depreciation rate from 2.0% to 2.86%. The utility, however, never made the adjustment to the appropriate reserve accounts. In the current MFRs for Seminole and Orange Counties, the accumulated depreciation schedules include an adjustment for the "Correction of depreciation per Order No. 10049." When we requested support for these adjustments, the utility provided a schedule showing estimates of annual adjustments and totals to date. The utility's representative explained that the total estimate was multiplied by a ratio of plant in service for each county to the total of all plant in service for UIF, in order to get an allocated adjustment to accumulated depreciation. The utility shall recalculate and restate these adjustments, as well as all prior Commission adjustments, to the appropriate reserve accounts.

Appropriate AFUDC Rates

The utility requested an AFUDC rate equal to its requested overall cost of capital of 8.63%. We find an annual AFUDC rate of 8.61% for the Seminole and Orange County systems and 9.01% for the Orangewood system is appropriate. These rates represent a discounted monthly rate of 0.690652% for Seminole and Orange County and 0.721502% for the Orangewood system, consistent with Rule 25-30.116(5) Florida Administrative Code. According to the above-referenced rule, the new AFUDC rate shall be effective the month following the end of the 12-month period used to establish that rate and may not be retroactively applied to a previous year unless authorized by the Commission.

Since the twelve month period used to calculate the AFUDC rate ended December 31, 1993, the effective date shall be January 1, 1994. A retroactive application of this rate is appropriate.

Further, on March 28, 1995 UIF filed an AFUDC application for all of its other systems that have not been previously granted an AFUDC rate.

Upon expiration of the protest period, if a protest is not timely received from a substantially affected person, this Order will become final. This docket shall be closed at the conclusion of the protest period, if no protest is filed, and upon staff's approval of revised tariff sheets. Further, in the event that a timely protest is not received, the corporate undertaking may be released.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Utilities, Inc. of Florida's application for increased water rates in Orange, Seminole and Pasco Counties and increased wastewater rates in Seminole County is approved as set forth in the body of this Order. It is further

ORDERED that each of the findings made in the body of this Order is hereby approved in every respect. It is further

ORDERED that all matters contained in the schedules attached hereto are by reference incorporated herein. It is further

ORDERED that Utilities, Inc. of Florida is authorized to charge the new rates and charges as set forth in the body of this Order. It is further

ORDERED that the rates approved herein shall be effective for service rendered on or after the stamped approval date on the revised tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code, provided the customers have received notice. It is further

ORDERED that Utilities, Inc. of Florida, shall provide proof that the customers have received notice within 10 days of the date of notice. It is further

ORDERED that prior to its implementation of the rates and charges approved herein, Utilities, Inc. of Florida shall submit and have approved a proposed customer notice to its customers of the increased rates and charges and reasons therefor. The notice will be approved upon staff's verification that it is consistent with our decision herein. It is further

ORDER NO. PSC-95-0574-FOF-WS
DOCKET NO. 940917-WS
PAGE 19

ORDERED that prior to its implementation of the rates and charges approved herein, Utilities, Inc. of Florida shall submit and have approved revised tariff pages. The revised tariff pages will be approved upon staff's verification that the pages are consistent with our decision herein, that the protest period has expired, and that the proposed customer notice is adequate. It is further

ORDERED that the rates shall be reduced at the end of the four-year rate case expense amortization period, consistent with our decision herein. The utility shall file revised tariff sheets no later than one month prior to the actual date of the reduction and shall file a customer notice. It is further

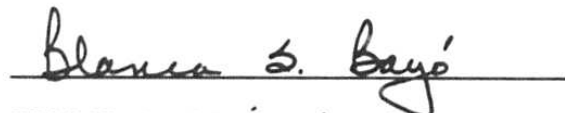
ORDERED that all provisions of this Order are issued as proposed agency action and shall become final, unless an appropriate petition in the form provided by Rule 25-22.029, Florida Administrative Code, is received by the Director of the Division of Records and Reporting at her office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the date set forth in the Notice of Further Proceedings Below. It is further

ORDERED that Utilities, Inc. of Florida shall comply with the provisions set forth in Rule 25-30.140(4)(a), Florida Administrative Code. It is further

ORDERED that Utilities, Inc. of Florida shall book all prior commission adjustment to the correct reserve accounts. It is further

ORDERED that this docket shall be closed if no timely protest is received from a substantially affected person, and upon the utility's filing and staff's approval of revised tariff sheets and a customer notice. It is further

By ORDER of the Florida Public Service Commission, this 9th day of May, 1995.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

TV

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.

The action proposed herein is 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, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on May 30, 1995.

In the absence of such a petition, this order shall become effective on the day 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 this order becomes final and effective on the date described above, any party substantially 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.

UTILITIES, INC. OF FLORIDA - SEMINOLE COUNTY				SCHEDULE NO. 1-A		
SCHEDULE OF WATER RATE BASE				DOCKET NO. 940917-WS		
TEST YEAR ENDED 12/31/93						
COMPONENT		TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR
1 UTILITY PLANT IN SERVICE	\$	2,133,346 \$	49,440 \$	2,182,786 \$	65,148 \$	2,247,934
2 LAND		19,845	0	19,845	0	19,845
3 NON-USED & USEFUL COMPONENTS		0	0	0	0	0
4 ACCUMULATED DEPRECIATION		(507,722)	(92,002)	(599,724)	(54,715)	(654,439)
5 CIAC		(716,583)	0	(716,583)	0	(716,583)
6 AMORTIZATION OF CIAC		299,995	0	299,995	0	299,995
7 ACQUISITION ADJUSTMENTS -NET		0	0	0	0	0
8 ADVANCES FOR CONSTRUCTION		(52,000)	0	(52,000)	0	(52,000)
9 DEFERRED TAXES		0	0	0	0	0
10 WORKING CAPITAL ALLOWANCE		61,678	28,076	89,754	(50,938)	38,816
RATE BASE	\$	1,238,559 \$	(14,486) \$	1,224,073 \$	(40,505) \$	1,183,568

ORDER NO. PSC-95-0574-FOF-WS
 DOCKET NO. 940917-WS
 PAGE 22

UTILITIES, INC. OF FLORIDA - SEMINOLE COUNTY				SCHEDULE NO. 1-B		
SCHEDULE OF WASTEWATER RATE BASE				DOCKET NO. 940917-WS		
TEST YEAR ENDED 12/31/93						
COMPONENT	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	
1 UTILITY PLANT IN SERVICE	\$ 1,560,767	\$ (168,844)	\$ 1,391,923	\$ (35,648)	\$ 1,356,275	
2 LAND	22,472	0	22,472	0	22,472	
3 NON-USED & USEFUL COMPONENTS	0	0	0	0	0	
4 ACCUMULATED DEPRECIATION	(522,654)	30,159	(492,495)	5,428	(487,067)	
5 CIAC	(716,804)	65,428	(651,376)	0	(651,376)	
6 AMORTIZATION OF CIAC	296,987	(36,638)	260,349	0	260,349	
7 ACQUISITION ADJUSTMENTS -NET	0	0	0	0	0	
8 ADVANCES FOR CONSTRUCTION	(48,000)	0	(48,000)	0	(48,000)	
9 DEFERRED TAXES	0	0	0	0	0	
10 WORKING CAPITAL ALLOWANCE	28,892	13,152	42,044	(23,861)	18,183	
RATE BASE	\$ 621,660	\$ (96,743)	\$ 524,917	\$ (54,081)	\$ 470,836	

UTILITIES, INC. OF FLORIDA – SEMINOLE COUNTY ADJUSTMENTS TO RATE BASE TEST YEAR ENDED 12/31/93		SCHEDULE NO. 1-C DOCKET NO. 940917-WS PAGE 1 OF 1	
EXPLANATION	WATER	WASTEWATER	
(1) UTILITY PLANT IN SERVICE			
a) To remove accrued AFUDC charges	\$ (16,354)	\$ (702)	
b) To specifically identify previously allocated plant	101,518		
c) To specifically identify previously allocated organization costs	49,606		
d) To reallocate common plant	(53,055)	(24,826)	
e) To reallocate organization costs	(21,004)	(9,828)	
f) To reallocate John Deere mower	4,437	2,078	
g) To correct booking errors for the wastewater plant		(2,370)	
	<u>\$ 65,148</u>	<u>\$ (35,648)</u>	
(2) ACCUMULATED DEPRECIATION			
a) To remove charges associated with accrued AFUDC charges	\$ 1,507	\$ 33	
b) To reflect charges associated with identifiable plant	(47,012)		
c) To reflect charges associated with organization costs	(20,559)		
d) To remove charges associated with the reallocation of common plant	11,412	5,340	
e) To reflect charges associated with the reallocation of the mower	(63)	(30)	
f) To remove charges associated with booking errors		85	
	<u>\$ (54,715)</u>	<u>\$ 5,428</u>	
(3) WORKING CAPITAL			
a) To adjust the balance sheet method per audit	<u>\$ (50,938)</u>	<u>\$ (23,861)</u>	

UTILITIES, INC. OF FLORIDA - SEMINOLE COUNTY
CAPITAL STRUCTURE
TEST YEAR ENDED 12/31/93

SCHEDULE NO. 2
DOCKET NO. 940917-WS

DESCRIPTION	TOTAL CAPITAL	SPECIFIC ADJUSTMENTS (EXPLAIN)	PRO RATA ADJUSTMENTS	CAPITAL RECONCILED TO RATE BASE	RATIO	COST RATE	WEIGHTED COST
PER UTILITY							
1 LONG-TERM DEBT	\$ 305,916	\$ 0	\$ (143,085)	162,831	9.31%	6.00%	0.56%
2 INTERCOMPANY PAYABLE	1,132,734	0	(529,857)	602,877	34.47%	9.47%	3.26%
3 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
4 COMMON EQUITY	1,419,271	0	(663,882)	755,389	43.19%	10.89%	4.70%
5 CUSTOMER DEPOSITS	62,105	0	(29,049)	33,056	1.89%	6.00%	0.11%
6 DEFERRED ITC'S-ZERO COST	135,686	0	(63,453)	72,233	4.13%	0.00%	0.00%
7 DEFERRED ITC'S-WTD COST	0	0	0	0	0.00%	0.00%	0.00%
8 DEFERRED INCOME TAXES	<u>230,454</u>	<u>0</u>	<u>(107,850)</u>	<u>122,604</u>	<u>7.01%</u>	<u>0.00%</u>	<u>0.00%</u>
9 TOTAL CAPITAL	\$ <u>3,286,166</u>	\$ <u>0</u>	\$ <u>(1,537,175)</u>	<u>1,748,990</u>	<u>100.00%</u>		<u>8.63%</u>
PER COMMISSION							
10 LONG-TERM DEBT	\$ 305,916	\$ 0	\$ (151,093)	154,823	9.36%	6.00%	0.56%
11 INTERCOMPANY PAYABLE	1,132,734	(17,224)	(550,953)	564,557	34.12%	9.47%	3.23%
12 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
13 COMMON EQUITY	1,419,271	0	(700,981)	718,290	43.42%	10.83%	4.70%
14 CUSTOMER DEPOSITS	62,105	0	(30,674)	31,431	1.90%	6.00%	0.11%
15 DEFERRED ITC'S-ZERO COST	135,686	0	(67,016)	68,670	4.15%	0.00%	0.00%
16 DEFERRED ITC'S-WTD COST	0	0	0	0	0.00%	0.00%	0.00%
17 DEFERRED INCOME TAXES	<u>230,454</u>	<u>0</u>	<u>(113,822)</u>	<u>116,632</u>	<u>7.05%</u>	<u>0.00%</u>	<u>0.00%</u>
18 TOTAL CAPITAL	\$ <u>3,286,166</u>	\$ <u>(17,224)</u>	\$ <u>(1,614,538)</u>	<u>1,654,404</u>	<u>100.00%</u>		<u>8.61%</u>
RANGE OF REASONABLENESS					<u>LOW</u>	<u>HIGH</u>	
RETURN ON EQUITY					<u>9.83%</u>	<u>11.83%</u>	
OVERALL RATE OF RETURN					<u>8.17%</u>	<u>9.04%</u>	

UTILITIES, INC. OF FLORIDA - SEMINOLE COUNTY
STATEMENT OF WATER OPERATIONS
TEST YEAR ENDED 12/31/93

SCHEDULE NO. 3-A
DOCKET NO. 940917-WS

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	\$ 523,116 \$	92,853 \$	615,969 \$	(75,811)\$	540,158 \$	71,654 \$	611,812
OPERATING EXPENSES:						13.27%	
2 OPERATION AND MAINTENANCE	\$ 339,650 \$	18,300 \$	357,950 \$	(6,322)\$	351,628 \$	\$	351,628
3 DEPRECIATION	47,645	24,423	72,068	4,916	76,984		76,984
4 AMORTIZATION	0	0	0	0	0		0
5 TAXES OTHER THAN INCOME	43,553	4,487	48,040	(3,411)	44,629	3,224	47,853
6 INCOME TAXES	(12,814)	45,041	32,227	(24,522)	7,705	25,750	33,455
7 TOTAL OPERATING EXPENSES	\$ 418,034 \$	92,251 \$	510,284 \$	(29,340)\$	480,945 \$	28,975 \$	509,920
8 OPERATING INCOME	\$ 105,082 \$	602 \$	105,685 \$	(46,471)\$	59,213 \$	42,680 \$	101,892
9 RATE BASE	\$ 1,238,559		\$ 1,224,073		\$ 1,183,568		\$ 1,183,568
RATE OF RETURN	8.48%		8.63%		5.00%		8.61%

UTILITIES, INC. OF FLORIDA - SEMINOLE COUNTY
 STATEMENT OF WASTEWATER OPERATIONS
 TEST YEAR ENDED 12/31/93

SCHEDULE NO. 3-B
 DOCKET NO. 940917-WS

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	\$ 359,099	\$ 47,795	\$ 406,894	\$(36,930)	\$ 369,964	\$ 27,323	397,287
OPERATING EXPENSES						7.39%	
2 OPERATION AND MAINTENANCE	\$ 235,867	\$ 43,334	\$ 279,201	\$(2,092)	\$ 277,109	\$	277,109
3 DEPRECIATION	26,724	1,973	28,697	(772)	27,925		27,925
4 AMORTIZATION	0	11,022	11,022	0	11,022		11,022
5 TAXES OTHER THAN INCOME	20,384	7,437	27,821	(1,662)	26,159	1,230	27,389
6 INCOME TAXES	10,458	4,370	14,828	(11,338)	3,490	9,819	13,309
7 TOTAL OPERATING EXPENSES	\$ 293,433	\$ 68,136	\$ 361,569	\$(15,864)	\$ 345,705	\$ 11,049	356,753
8 OPERATING INCOME	\$ 65,666	\$(20,341)	\$ 45,325	\$(21,066)	\$ 24,259	\$ 16,275	40,534
9 RATE BASE	\$ 621,660		\$ 524,917		\$ 470,836		\$ 470,836
RATE OF RETURN	10.56%		8.63%		5.15%		8.61%

UTILITIES, INC. OF FLORIDA - SEMINOLE COUNTY
ADJUSTMENTS TO OPERATING STATEMENTS
TEST YEAR ENDED 12/31/93

SCHEDULE NO. 3-C
DOCKET NO. 940917-WS
PAGE 1 OF 1

EXPLANATION	WATER	WASTEWATER
(1) OPERATING REVENUES		
a) Reverse utility's proposed revenue increase	\$ <u>(75,811)</u>	\$ <u>(36,930)</u>
(2) OPERATION AND MAINTANENCE EXPENSES		
a) Contractual Services-Other		\$ 870
b) To reflect amortization of rate case expense	(6,322)	(2,962)
	\$ <u>(6,322)</u>	\$ <u>(2,092)</u>
(3) DEPRECIATION EXPENSE		
a) To remove charges associated with accrued AFUDC charges	\$ (472)	(37)
b) To reflect charges associated with identifiable plant	5,537	
c) To reflect charges associated with organization costs	1,240	
d) To remove charges associated with the reallocation of common plant	(1,666)	(780)
e) To reflect charges associated with the reallocation of the mower	277	130
f) To remove charges associated with booking errors		(85)
	\$ <u>4,916</u>	\$ <u>(772)</u>
(4) TAXES OTHER THAN INCOME TAXES		
a) Regulatory assessment fees related to revenue adjustment	\$ <u>(3,411)</u>	\$ <u>(1,662)</u>
(5) INCOME TAXES		
a) To remove ITC amortization from above the line	\$ 2,356	
b) Income taxes associated with adjusted test year income	(26,878)	(11,338)
	\$ <u>(24,522)</u>	\$ <u>(11,338)</u>
(6) OPERATING REVENUES		
a) Adjustment to reflect recommended revenue requirement	\$ <u>71,654</u>	\$ <u>27,323</u>
(7) TAXES OTHER THAN INCOME TAXES		
a) Regulatory assessment taxes on additional revenues	\$ <u>3,224</u>	\$ <u>1,230</u>
(8) INCOME TAXES		
a) Income taxes related to recommended income amount	\$ <u>25,750</u>	\$ <u>9,819</u>

UTILITIES, INC. OF FLORIDA - ORANGE COUNTY				SCHEDULE NO. 1-A		
SCHEDULE OF WATER RATE BASE				DOCKET NO. 940917-WS		
TEST YEAR ENDED 12/31/93						
COMPONENT		TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTED	COMMISSION ADJUSTED TEST YEAR
1 UTILITY PLANT IN SERVICE	\$	200,533	\$ 0	\$ 200,533	\$ 10,805	211,338
2 LAND		3,558	0	3,558	0	3,558
3 NON-USED & USEFUL COMPONENTS		0	0	0	0	0
4 ACCUMULATED DEPRECIATION		(53,264)	(7,149)	(60,413)	(7,981)	(68,394)
5 CIAC		(49,779)	0	(49,779)	0	(49,779)
6 AMORTIZATION OF CIAC		19,980	0	19,980	0	19,980
7 ACQUISITION ADJUSTMENTS -NET		0	0	0	0	0
8 ADVANCES FOR CONSTRUCTION		0	0	0	0	0
9 DEFERRED TAXES		0	0	0	0	0
10 WORKING CAPITAL ALLOWANCE		3,546	5,882	9,428	(4,309)	5,119
RATE BASE	\$	124,574	(1,267)	123,307	(1,485)	121,822

UTILITIES, INC. OF FLORIDA - ORANGE COUNTY ADJUSTMENTS TO RATE BASE TEST YEAR ENDED 12/31/93	SCHEDULE NO. 1-B DOCKET NO. 940917-WS PAGE 1 OF 1
--	---

EXPLANATION	WATER
(1) <u>UTILITY PLANT IN SERVICE</u>	
a) To remove accrued AFUDC charges	\$ (2,288)
b) To specifically identify previously allocated plant	12,415
c) To specifically identify previously allocated organization costs	7,734
d) To reallocate common plant	(5,374)
e) To reallocate organization costs	(2,127)
f) To reallocate John Deere Mower	445
	\$ <u>10,805</u>
(2) <u>ACCUMULATED DEPRECIATION</u>	
a) To remove charges associated with accrued AFUDC charges	\$ 188
b) To reflect charges associated with identifiable plant	(6,106)
c) To reflect charges associated with organization costs	(3,206)
d) To remove charges associated with the reallocation of common plant	1,156
e) To reflect charges associated with the reallocation of the mower	(13)
	\$ <u>(7,981)</u>
(3) <u>WORKING CAPITAL</u>	
a) To adjust the balance sheet method per audit	\$ <u>(4,309)</u>

UTILITIES, INC. OF FLORIDA - ORANGE COUNTY
 CAPITAL STRUCTURE
 TEST YEAR ENDED 12/31/93

SCHEDULE NO. 2
 DOCKET NO. 940917-WS

DESCRIPTION	TOTAL CAPITAL	SPECIFIC ADJUSTMENTS (EXPLAIN)	PRO RATA ADJUSTMENTS	CAPITAL RECONCILED TO RATE BASE	RATIO	COST RATE	WEIGHTED COST
PER UTILITY							
1 LONG-TERM DEBT	\$ 305,916	\$ 0	\$(294,436)	11,480	9.31%	6.00%	0.56%
2 INTERCOMPANY PAYABLE	1,132,734	0	(1,090,230)	42,504	34.47%	9.47%	3.26%
3 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
4 COMMON EQUITY	1,419,271	0	(1,366,015)	53,256	43.19%	10.89%	4.70%
5 CUSTOMER DEPOSITS	62,105	0	(59,775)	2,330	1.89%	6.00%	0.11%
6 DEFERRED ITC'S - ZERO COST	135,686	0	(130,593)	5,093	4.13%	0.00%	0.00%
7 DEFERRED ITC'S - WTD COST	0	0	0	0	0.00%	0.00%	0.00%
8 DEFERRED INCOME TAXES	230,454	0	(221,810)	8,644	7.01%	0.00%	0.00%
9 TOTAL CAPITAL	\$ <u>3,286,166</u>	\$ 0	\$(3,162,859)	<u>123,307</u>	<u>100.00%</u>		<u>8.63%</u>
PER COMMISSION							
10 LONG-TERM DEBT	\$ 305,916	\$ 0	\$(294,515)	11,401	9.36%	6.00%	0.56%
11 INTERCOMPANY PAYABLE	1,132,734	(17,224)	(1,073,939)	41,571	34.12%	9.47%	3.23%
12 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
13 COMMON EQUITY	1,419,271	0	(1,366,379)	52,892	43.42%	10.83%	4.70%
14 CUSTOMER DEPOSITS	62,105	0	(59,791)	2,314	1.90%	6.00%	0.11%
15 DEFERRED ITC'S - ZERO COST	135,686	0	(130,629)	5,057	4.15%	0.00%	0.00%
16 DEFERRED ITC'S - WTD COST	0	0	0	0	0.00%	0.00%	0.00%
17 DEFERRED INCOME TAXES	230,454	0	(221,866)	8,588	7.05%	0.00%	0.00%
18 TOTAL CAPITAL	\$ <u>3,286,166</u>	\$(17,224)	\$(3,147,119)	<u>121,823</u>	<u>100.00%</u>		<u>8.61%</u>
RANGE OF REASONABLENESS					<u>LOW</u>	<u>HIGH</u>	
RETURN ON EQUITY					<u>9.83%</u>	<u>11.83%</u>	
OVERALL RATE OF RETURN					<u>8.17%</u>	<u>9.04%</u>	

UTILITIES, INC. OF FLORIDA - ORANGE COUNTY
STATEMENT OF WATER OPERATIONS
TEST YEAR ENDED 12/31/93

SCHEDULE NO. 3-A
DOCKET NO. 940917-WS

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	\$ 77,353	\$ 23,661	\$ 101,014	\$(17,491)	\$ 83,523	\$ 17,357	100,880
OPERATING EXPENSES:						20.78%	
2 OPERATION AND MAINTENANCE	\$ 69,766	\$ 2,590	\$ 72,356	\$(641)	\$ 71,715	\$	71,715
3 DEPRECIATION	5,160	1,302	6,462	713	7,175		7,175
4 AMORTIZATION	0	0	0	0	0		0
5 TAXES OTHER THAN INCOME	6,509	1,556	8,065	(787)	7,278	781	8,059
6 INCOME TAXES	(5,477)	8,961	3,484	(6,278)	(2,794)	6,238	3,443
7 TOTAL OPERATING EXPENSES	\$ 75,958	\$ 14,409	\$ 90,367	\$(6,993)	\$ 83,374	\$ 7,019	90,392
8 OPERATING INCOME	\$ 1,395	\$ 9,252	\$ 10,647	\$(10,498)	\$ 149	\$ 10,338	10,488
9 RATE BASE	\$ 124,574		\$ 123,307		\$ 121,822		\$ 121,822
RATE OF RETURN	1.12%		8.63%		0.12%		8.61%

UTILITIES, INC. OF FLORIDA – ORANGE COUNTY ADJUSTMENTS TO OPERATING STATEMENTS TEST YEAR ENDED 12/31/93	SCHEDULE NO. 3-B DOCKET NO. 940917-WS PAGE 1 OF 1
EXPLANATION	WATER
(1) <u>OPERATING REVENUES</u> a) Reverse utility's proposed revenue increase	\$ <u>(17,491)</u>
(2) <u>OPERATION AND MAINTENANCE EXPENSES</u> a) To reflect amortization of rate case expense	\$ <u>(641)</u>
(3) <u>DEPRECIATION EXPENSE</u> a) To remove charges associated with accrued AFUDC charges b) To reflect charges associated with identifiable plant c) To reflect charges associated with organization costs d) To remove charges associated with the reallocation of common plant e) To reflect charges associated with the reallocation of the mower	\$ (56) 717 193 (169) 28 <u>713</u>
(4) <u>TAXES OTHER THAN INCOME TAXES</u> a) Regulatory assessment fees related to revenue adjustment	\$ <u>(787)</u>
(5) <u>INCOME TAXES</u> a) Income taxes associated with adjusted test year income	\$ <u>(6,278)</u>
(6) <u>OPERATING REVENUES</u> a) Adjustment to reflect recommended revenue requirement	\$ <u>17,357</u>
(7) <u>TAXES OTHER THAN INCOME TAXES</u> a) Regulatory assessment taxes on additional revenues	\$ <u>781</u>
(8) <u>INCOME TAXES</u> a) Income taxes related to recommended income amount	\$ <u>6,238</u>

UTILITIES, INC. OF FLORIDA - ORANGEWOOD (PASCO COUNTY)				SCHEDULE NO. 1-A		
SCHEDULE OF WATER RATE BASE				DOCKET NO. 940917-WS		
TEST YEAR ENDED 12/31/93						
COMPONENT	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	
1 UTILITY PLANT IN SERVICE	\$ 247,716	\$ 5,953	\$ 253,669	(474)	\$ 253,195	
2 LAND	1,753	(540)	1,213	0	1,213	
3 NON-USED & USEFUL COMPONENTS	0	0	0	0	0	
4 ACCUMULATED DEPRECIATION	(69,064)	(29,428)	(98,492)	(803)	(99,295)	
5 CIAC	(37,160)	0	(37,160)	0	(37,160)	
6 AMORTIZATION OF CIAC	6,994	13,837	20,831	0	20,831	
7 ACQUISITION ADJUSTMENTS -NET	0	0	0	0	0	
8 ADVANCES FOR CONSTRUCTION	0	0	0	0	0	
9 DEFERRED TAXES	0	0	0	0	0	
10 WORKING CAPITAL ALLOWANCE	3,612	7,556	11,168	(11,168)	0	
RATE BASE	\$ 153,851	(2,622)	\$ 151,229	(12,445)	\$ 138,784	

UTILITIES, INC. OF FLORIDA - ORANGEWOOD (PASCO COUNTY) ADJUSTMENTS TO RATE BASE TEST YEAR ENDED 12/31/93	SCHEDULE NO. 1-B DOCKET NO. 940917-WS PAGE 1 OF 1
EXPLANATION	WATER
(1) <u>UTILITY PLANT IN SERVICE</u>	
a) To remove accrued AFUDC charges b) To specifically identify previously allocated plant c) To reallocate common plant d) To reallocate organization costs e) To reallocate John Deere mower	\$ (3,070) 17,320 (9,247) (3,660) (1,817) \$ <u>(474)</u>
(2) <u>ACCUMULATED DEPRECIATION</u>	
a) To remove charges associated with accrued AFUDC charges b) To reflect charges associated with identifiable plant c) To remove charges associated with the reallocation of common plant d) To reflect charges associated with the reallocation of the mower	\$ 280 (3,098) 1,989 26 \$ <u>(803)</u>
(3) <u>WORKING CAPITAL</u>	
a) To adjust the balance sheet method per audit	\$ <u>(11,168)</u>

UTILITIES, INC. OF FLORIDA - ORANGEWOOD (PASCO COUNTY)
 CAPITAL STRUCTURE
 TBST YEAR ENDED 12/31/93

SCHEDULE NO. 2
 DOCKET NO. 940917-WS

DESCRIPTION	TOTAL CAPITAL	SPECIFIC ADJUSTMENTS (EXPLAIN)	PRO RATA ADJUSTMENTS	CAPITAL RECONCILED TO RATE BASE	RATIO	COST RATE	WEIGHTED COST
PER UTILITY							
1 LONG-TERM DEBT	\$ 305,916	\$ 0	\$(291,837)	14,079	9.31%	6.00%	0.56%
2 INTERCOMPANY DEBT	1,132,734	0	(1,080,605)	52,129	34.47%	9.47%	3.26%
3 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
4 COMMON EQUITY	1,419,271	0	(1,353,955)	65,316	43.19%	10.89%	4.70%
5 CUSTOMER DEPOSITS	62,105	0	(59,247)	2,858	1.89%	6.00%	0.11%
6 DEFERRED ITC'S - ZERO COST	135,686	0	(129,440)	6,246	4.13%	0.00%	0.00%
7 DEFERRED ITC'S - WTD COST	0	0	0	0	0.00%	0.00%	0.00%
8 DEFERRED INCOME TAXES	<u>230,454</u>	0	<u>(219,853)</u>	<u>10,601</u>	<u>7.01%</u>	0.00%	<u>0.00%</u>
9 TOTAL CAPITAL	\$ <u>3,286,166</u>	\$ 0	<u>\$(3,134,937)</u>	<u>151,229</u>	<u>100.00%</u>		<u>8.64%</u>
PER COMMISSION							
10 LONG-TERM DEBT	\$ 305,916	\$ 0	\$(292,928)	12,988	9.36%	6.00%	0.56%
11 INTERCOMPANY PAYABLE	1,132,734	(17,224)	(1,068,150)	47,360	34.12%	9.47%	3.23%
12 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
13 COMMON EQUITY	1,419,271	0	(1,359,015)	60,256	43.42%	10.83%	4.70%
14 CUSTOMER DEPOSITS	62,105	0	(59,468)	2,637	1.90%	6.00%	0.11%
15 DEFERRED ITC'S - ZERO COST	0	0	0	0	0.00%	0.00%	0.00%
16 DEFERRED ITC'S - WTD COST	135,686	0	(129,925)	5,761	4.15%	9.78%	0.41%
17 DEFERRED INCOME TAXES	<u>230,454</u>	0	<u>(220,670)</u>	<u>9,784</u>	<u>7.05%</u>	0.00%	<u>0.00%</u>
18 TOTAL CAPITAL	\$ <u>3,286,166</u>	<u>\$(17,224)</u>	<u>\$(3,130,157)</u>	<u>138,785</u>	<u>100.00%</u>		<u>9.01%</u>
RANGE OF REASONABLENESS					LOW	HIGH	
RETURN ON EQUITY					<u>9.83%</u>	<u>11.83%</u>	
OVERALL RATE OF RETURN					<u>8.58%</u>	<u>9.45%</u>	

UTILITIES, INC. OF FLORIDA - ORANGEWOOD (PASCO COUNTY)
 STATEMENT OF WATER OPERATIONS
 TEST YEAR ENDED 12/31/93

SCHEDULE NO. 3-A
 DOCKET NO. 940917-WS

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	\$ 90,896	\$ 21,516	\$ 112,412	(\$ 17,830)	\$ 94,582	\$ 11,757	106,339
OPERATING EXPENSES:						12.43%	
2 OPERATION AND MAINTENANCE	\$ 77,726	(\$ 7,843)	\$ 69,883	(\$ 1,618)	\$ 68,265	\$	68,265
3 DEPRECIATION	7,557	3,731	11,288	152	11,440		11,440
4 AMORTIZATION	0	0	0	0	0		0
5 TAXES OTHER THAN INCOME	13,802	109	13,911	(802)	13,109	529	13,638
6 INCOME TAXES	(4,876)	9,140	4,264	(8,004)	(3,740)	4,225	485
7 TOTAL OPERATING EXPENSES	\$ 94,209	\$ 5,137	\$ 99,346	(\$ 10,272)	\$ 89,074	\$ 4,754	93,828
8 OPERATING INCOME	\$ (3,313)	\$ 16,379	\$ 13,066	(\$ 7,558)	\$ 5,508	\$ 7,003	12,511
9 RATE BASE	\$ 153,851		\$ 151,229		\$ 138,784		\$ 138,784
RATE OF RETURN	-2.15%		8.64%		3.97%		9.01%

UTILITIES, INC. OF FLORIDA - ORANGEWOOD (PASCO COUNTY) ADJUSTMENTS TO OPERATING STATEMENTS TEST YEAR ENDED 12/31/93	SCHEDULE NO. 3-B DOCKET NO. 940917-WS PAGE 1 OF 1
EXPLANATION	WATER
(1) <u>OPERATING REVENUES</u>	
a) Reverse utility's proposed revenue increase	\$ <u>(17,830)</u>
(2) <u>OPERATION AND MAINTENANCE EXPENSES</u>	
a) To reflect amortization of rate case expense	\$ <u>(1,618)</u>
(3) <u>DEPRECIATION EXPENSE</u>	
a) To remove charges associated with accrued AFUDC charges	\$ (154)
b) To reflect charges associated with identifiable plant	710
c) To remove charges associated with the reallocation of common plant	(290)
d) To reflect charges associated with the reallocation of the mower	(114)
	\$ <u>152</u>
(4) <u>TAXES OTHER THAN INCOME TAXES</u>	
a) Regulatory assessment fees related to revenue adjustment	\$ <u>(802)</u>
(5) <u>INCOME TAXES</u>	
a) Income taxes associated with adjusted test year income	\$ <u>(8,004)</u>
(6) <u>OPERATING REVENUES</u>	
a) Adjustment to reflect recommended revenue requirement	\$ <u>11,757</u>
(7) <u>TAXES OTHER THAN INCOME TAXES</u>	
a) Regulatory assessment taxes on additional revenues	\$ <u>529</u>
(8) <u>INCOME TAXES</u>	
a) Income taxes related to recommended income amount	\$ <u>4,225</u>

UTILITY: UTILITIES INC. OF FLORIDA
 COUNTY: SEMINOLE
 DOCKET NO. 940917-WS
 TEST YEAR ENDED: DECEMBER 31, 1993

Schedule 4-A

RATE SCHEDULE

WATER

Bi-Monthly Rates

Residential, Multi-Family, and General Service (a)

Base Facility Charge:

Meter size: 5/8" x 3/4"

	Rates Prior to <u>Filing</u>	Commission Approved <u>Interim</u>	Utility Requested <u>Final</u>	Commission Approved <u>Final</u>
1"	\$9.30	\$9.88	\$10.67	\$10.60
1-1/2"	\$23.25	\$24.70	\$26.67	\$26.49
2"	\$46.47	\$49.34	\$53.33	\$52.94
3"	\$74.41	\$79.00	\$85.33	\$84.77
4"	\$148.78	\$157.94	\$159.99	\$169.53
6"		\$247.36	\$266.65	\$264.89
		\$493.64	\$533.30	\$529.77
Gallorage Charge, per 1,000 Gallons	\$1.42	\$1.51	\$1.62	\$1.61

Typical Residential Bills

5/8" x 3/4" meter

6,000 Gallons	\$17.82	\$18.94	\$20.39	\$20.26
10,000 Gallons	\$23.50	\$24.98	\$26.87	\$26.71
20,000 Gallons	\$37.70	\$40.08	\$43.07	\$42.82

(a) General Service consist of Commercial and Irrigation

UTILITY: UTILITIES INC. OF FLORIDA
 COUNTY: SEMINOLE
 DOCKET NO. 940917-WS
 TEST YEAR ENDED: DECEMBER 31, 1993

Schedule 4-B

RATE SCHEDULE

WASTEWATER

Bi-Monthly Rates

	Rates Prior to <u>Filing</u>	Commission Approved <u>Interim</u>	Utility Requested <u>Final</u>	Commission Approved <u>Final</u>
<u>Residential and Multi-Family</u>				
Base Facility Charge:				
All Meter Sizes	\$14.24	-	\$15.62	\$15.42
Gallage Charge, per 1,000 Gallons	\$2.03	-	\$2.24	\$2.12
Residential Sewer Cap at 20,000 gallons (10,000 per month)				
Flat rate	\$44.62	-	\$49.20	\$45.49
<u>General Service and Commercial</u>				
Base Facility Charge:				
Meter size: 5/8" x 3/4"	\$14.24	-	\$15.62	\$15.42
1"	\$35.57	-	\$39.05	\$38.53
1-1/2"	\$71.17	-	\$78.10	\$77.12
2"	\$113.84	-	\$124.96	\$123.38
3"	\$227.69	-	\$234.30	\$246.77
4"		-	\$390.50	\$385.58
6"		-	\$781.00	\$771.15
Gallage Charge, per 1,000 Gallons	\$2.03	-	\$2.24	\$2.54
No Gallage Cap for General Service and Commercial				

Typical Residential Bills

<u>5/8" x 3/4" meter</u>				
6,000 Gallons	\$26.42	-	\$29.06	\$28.14
10,000 Gallons	\$34.54	-	\$38.02	\$36.62
20,000 Gallons	\$54.84	-	\$60.42	\$57.82

ORDER NO. PSC-95-0574-FOF-WS
DOCKET NO. 940917-WS
PAGE 40

UTILITY: UTILITIES INC. OF FLORIDA
COUNTY: SEMINOLE
DOCKET NO. 940917-WS
TEST YEAR ENDED: DECEMBER 31, 1993

Schedule 5-A

RATE SCHEDULE

Schedule of Rate Decrease After Expiration of
Amortization Period for Rate Case Expense

Water

Bi-Monthly Rates

	<u>Commission Approved Rates</u>	<u>Rate Decrease</u>
<u>Residential, Multi-Family, and General Service</u>		
Base Facility Charge (meter size):		
5/8"x3/4"	\$10.60	\$0.16
1"	\$26.49	\$0.40
1-1/2"	\$52.94	\$0.80
2"	\$84.77	\$1.28
3"	\$169.53	\$2.57
4"	\$264.89	\$4.01
6"	\$529.77	\$8.03
Gallonage Charge, per 1,000 gallons	\$1.61	\$0.02

ORDER NO. PSC-95-0574-FOF-WS
 DOCKET NO. 940917-WS
 PAGE 41

UTILITY: UTILITIES INC. OF FLORIDA
 COUNTY: SEMINOLE
 DOCKET NO. 940917-WS
 TEST YEAR ENDED: DECEMBER 31, 1993

Schedule 5-B

RATE SCHEDULE

Schedule of Rate Decrease After Expiration of
 Amortization Period for Rate Case Expense

Wastewater

Bi-Monthly Rates

	<u>Commission Approved Rates</u>	<u>Rate Decrease</u>
<u>Residential and Multi-Family</u>		
Base Facility Charge (All Meter Sizes)	\$15.42	\$0.17
Gallonage Charge, per 1,000 gallons	\$2.12	\$0.02
Flat Rate	\$45.49	\$0.50
<u>General Service and Commercial</u>		
Base Facility Charge (meter size):		
5/8"x3/4"	\$15.42	\$0.17
1"	\$38.53	\$0.42
1-1/2"	\$77.12	\$0.84
2"	\$123.38	\$1.34
3"	\$246.77	\$2.69
4"	\$385.58	\$4.20
6"	\$771.15	\$8.40
Gallonage Charge, per 1,000 gallons	\$2.54	\$0.03

UTILITY: UTILITIES INC. OF FLORIDA
 COUNTY: ORANGE
 DOCKET NO. 940917-WS
 TEST YEAR ENDED: DECEMBER 31, 1993

Schedule 4

RATE SCHEDULE

WATER

Bi-Monthly Rates

	Rates Prior to <u>Filing</u>	Commission Approved <u>Interim</u>	Utility Requested <u>Final</u>	Commission Approved <u>Final</u>
<u>Residential and General Service (a)</u>				
Base Facility Charge:				
Meter size: 5/8" x 3/4"	\$9.38	\$10.96	\$11.77	\$11.73
1"	\$23.41	\$27.34	\$29.43	\$29.28
1-1/2"	\$46.79	\$54.76	\$58.85	\$58.67
2"	\$74.90	\$87.60	\$94.16	\$93.87
3"	\$149.80	\$164.26	\$176.55	\$187.74
4"		\$273.76	\$294.25	\$293.35
6"		\$547.52	\$588.50	\$586.70
Gallonage Charge, per 1,000 Gallons	\$1.58	\$1.84	\$1.90	\$1.90

Typical Residential Bills

<u>5/8" x 3/4" meter</u>				
6,000 Gallons	\$18.86	\$22.00	\$23.17	\$23.13
10,000 Gallons	\$25.18	\$29.36	\$30.77	\$30.73
20,000 Gallons	\$40.98	\$47.76	\$49.77	\$49.73

(a) General Service consist of Commercial and Irrigation

ORDER NO. PSC-95-0574-FOF-WS
DOCKET NO. 940917-WS
PAGE 43

UTILITY: UTILITIES INC. OF FLORIDA
COUNTY: ORANGE
DOCKET NO. 940917-WS
TEST YEAR ENDED: DECEMBER 31, 1993

Schedule 5

RATE SCHEDULE

Schedule of Rate Decrease After Expiration of
Amortization Period for Rate Case Expense

Water

Bi-Monthly Rates

<u>Residential, Multi-Family, and General Service</u>	<u>Commission Approved Rates</u>	<u>Rate Decrease</u>
Base Facility Charge (meter size):		
5/8"x3/4"	\$11.73	\$0.11
1"	\$29.28	\$0.28
1-1/2"	\$58.67	\$0.55
2"	\$93.87	\$0.88
3"	\$187.74	\$1.77
4"	\$293.35	\$2.76
6"	\$526.70	\$5.53
Gallonge Charge, per 1,000 gallons	\$1.90	\$0.02

UTILITY: UTILITIES INC. OF FLORIDA
 COUNTY: PASCO (ORANGEWOOD)
 DOCKET NO. 940917-WS
 TEST YEAR ENDED: DECEMBER 31, 1993

Schedule 4

RATE SCHEDULE

WATER

Bi-Monthly Rates

	Rates Prior to <u>Filing</u>	Commission Approved <u>Interim</u>	Utility Requested <u>Final</u>	Commission Approved <u>Final</u>
<u>Residential, Multi-Family, and General Service (a)</u>				
Base Facility Charge:				
Meter size: 5/8" x 3/4"	\$16.17	\$17.52	\$19.60	\$18.28
1"	\$40.44	\$43.78	\$49.00	\$45.73
1-1/2"	\$80.86	\$87.54	\$98.00	\$91.42
2"	\$129.38	\$140.08	\$156.80	\$146.27
3"	\$258.75	\$262.78	\$294.00	\$292.54
4"	\$404.32	\$437.96	\$490.00	\$457.10
6"	\$808.59	\$875.90	\$980.00	\$914.20
Gallage Charge, per 1,000 Gallons	\$0.94	\$1.02	\$1.09	\$1.06

Typical Residential Bills

<u>5/8" x 3/4" meter</u>				
6,000 Gallons	\$21.81	\$23.64	\$26.14	\$24.64
10,000 Gallons	\$25.57	\$27.72	\$30.50	\$28.88
20,000 Gallons	\$34.97	\$37.92	\$41.40	\$39.48

(a) General Service consist of Commercial and Irrigation

ORDER NO. PSC-95-0574-FOF-WS
DOCKET NO. 940917-WS
PAGE 45

UTILITY: UTILITIES INC. OF FLORIDA
COUNTY: PASCO
DOCKET NO. 940917-WS
TEST YEAR ENDED: DECEMBER 31, 1993

Schedule 5

RATE SCHEDULE

Schedule of Rate Decrease After Expiration of
Amortization Period for Rate Case Expense

Water

Bi-Monthly Rates

	<u>Commission Approved Rates</u>	<u>Rate Decrease</u>
<u>Residential, Multi-Family, and General Service</u>		
Base Facility Charge (meter size):		
5/8"x3/4"	\$18.28	\$0.41
1"	\$45.73	\$1.03
1-1/2"	\$91.42	\$2.06
2"	\$146.27	\$3.29
3"	\$292.54	\$6.58
4"	\$457.10	\$10.28
6"	\$914.20	\$20.57
Gallorage Charge, per 1,000 gallons	\$1.06	\$0.02