



**General Offices**

1000 Color Place  
Apopka, FL 32703  
(407) 880-0058

June 5, 1991

BY HAND

Mr. Steve Tribble  
Director of Records and Reporting  
Florida Public Service Commission  
Fletcher Building  
101 East Gaines Street  
Tallahassee, FL 32399-0870

910662-WS

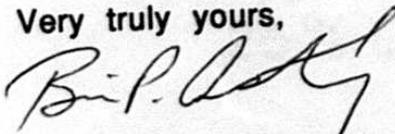
Re: Petition of Southern States Utilities, Inc., et al  
for Approval of Restructuring

Dear Mr. Tribble:

Enclosed please find an original and fifteen (15) copies of the above-referenced petition. This petition has been structured in accordance with the agreement between Southern States and Commission Staff.

Kindly acknowledge receipt of the petition by date stamping the enclosed copy of this letter and returning it in the postage prepaid, self addressed envelope provided. Your assistance and cooperation is appreciated.

Very truly yours,

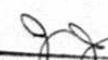
  
Brian P. Armstrong

Original Certs & WAS

dlh  
Enclosures

cc: Charles H. Hill  
John Williams  
Noreen Davis, Esq.

RECEIVED & FILED

  
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

05701 JUN -6 1991

FPSC-RECORDS/REPORTING

TO THE PUBLIC SERVICE COMMISSION  
STATE OF FLORIDA

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Petition of Southern States Utilities, Inc., :  
Deltona Utilities, Inc. and  
United Florida Utilities Corporation For :  
Approval of Restructuring

910662-MS

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**PETITION OF SOUTHERN STATES UTILITIES, INC., DELTONA  
UTILITIES, INC. AND UNITED FLORIDA UTILITIES CORPORATION FOR  
APPROVAL OF RESTRUCTURING**

1. Southern States Utilities, Inc. (SSU) is a business corporation which was incorporated in the State of Florida on November 22, 1961. Deltona Utilities, Inc. (DUI) is a business corporation which was incorporated in the State of Florida on August 14, 1978. United Florida Utilities Corporation (United) is a business corporation which was incorporated in the State of Florida on January 10, 1980. The address of DUI, United and SSU (hereinafter referred to collectively as "Petitioners") is 1000 Color Place, Apopka, Florida 32703. Petitioners currently own and operate more than 150 water and wastewater systems which, when combined, represent the largest investor-owned utility operation in the State of Florida.

2. Petitioners request Commission approval of the restructuring of Petitioners' utility operations, including the corporate merger of Petitioners (with SSU as the surviving corporation) and the change of the corporate name indicated on the certificates of authorization previously granted to DUI and United by the Florida Public Service Commission (Commission) to SSU. The

affected certificates of authorization (as well as a list identifying each of the certificates) are attached hereto as Appendix A. This petition constitutes a report to the Commission pursuant to section 367.121 of the Florida Statutes of the history of Petitioners and the proposed method of restructuring Petitioners' activities. This petition and the scope of its contents were prepared after various discussions with Commission Staff in an attempt to address the unique circumstances presented herein.

3. Petitioners are wholly-owned subsidiaries of Topeka Group Incorporated (Topeka), a business corporation incorporated in the State of Minnesota. Topeka is a wholly-owned subsidiary of Minnesota Power & Light Company (Minnesota Power), a corporation which was incorporated in the State of Minnesota in 1906. The principal executive offices of Topeka and Minnesota Power are located at 30 West Superior Street, Duluth, Minnesota 55802.

4. SSU was incorporated in 1961. SSU originally consisted of six small water companies serving customers in central Florida. Approximately ten years later, SSU became a subsidiary of Universal Telephone Company (Universal Telephone) of Wisconsin. In 1984, Topeka acquired Universal Telephone and its subsidiary, SSU. At that time, SSU had only 13,000 customers. In 1989, Topeka sold Universal Telephone and focused its diversification efforts on SSU's water and wastewater business. Since being acquired by Topeka, SSU has continued to grow steadily both through growth and the acquisition of small, sometimes run down utilities (which became available primarily because owner-developers did not have the

capital required to maintain utility facilities and finance improvements made necessary by growth and regulatory developments). SSU expects to have 66,000 customers by December 31, 1991.

5. Topeka further expanded its water and wastewater holdings in June 1989 with the acquisition of United and DUI from The Deltona Corporation. The acquisition of United and DUI more than doubled the size of Topeka's water and wastewater holdings in Florida. United expects to have 12,000 customers and Deltona expects to have 72,000 customers by December 31, 1991.

6. Thus, by December 31, 1991 SSU, DUI and United expect to provide water and wastewater service to approximately 150,000 customers located in twenty seven counties throughout the State of Florida. Twenty of the twenty seven counties in which SSU, DUI and/or United operate are regulated by the Commission.

7. Prior to the acquisition of United and DUI in 1989, SSU operated as a "mom and pop" type operation. In 1988, the Commission conducted a management audit of SSU and recommended changes in the organization and operation of SSU (which were designed primarily to assist SSU to properly handle the expected growth in customers). SSU began implementing the Commission's recommendations and Minnesota Power, through Topeka, made a commitment of substantial resources to build the most effective organizational infrastructure possible to provide quality service to SSU's customers.

8. After the acquisition of United and DUI and as a result of a comprehensive analysis by Topeka of the organizational

structure of the three utility subsidiaries, Topeka determined that SSU, DUI and United as well as several other subsidiary corporations should be consolidated into one utility operation. As a first step toward this consolidation, Southern States Utility Services, Inc., formerly known as Deltona Utility Consultants, Inc., (hereinafter referred to as "SSUSI") was adapted to manage and operate Petitioners' utility operations on a consolidated basis. Among the services performed by SSUSI for each of the Petitioners are budgeting, forecasting, accounting, engineering, legal, customer service, billing and collection functions. SSU will perform these functions upon approval of the proposed restructuring.

9. The directors and officers of each of the Petitioners are identical. The names and addresses of the directors and officers of Petitioners are as follows:

<b>Bert T. Phillips</b>	<b>President, Chief Executive Officer and Chairman of the Board of Directors</b>
<b>Donnie R. Crandell</b>	<b>Vice President and Vice Chairman of the Board of Directors</b>
<b>Karla Olson Teasley</b>	<b>Vice President and Secretary, Director</b>
<b>Richard P. Ausman</b>	<b>Vice President</b>
<b>Charles L. Sweat</b>	<b>Vice President</b>
<b>Charles E. Wood</b>	<b>Vice President</b>
<b>Forrest L. Ludsen</b>	<b>Vice President</b>

Virginia G. Clark	Treasurer
Judith J. Kimball	Controller
Terry L. Russ	Assistant Controller
Kathy I. Harter	Assistant Controller
Lisa Freeman Schutz	Assistant Secretary

The address of each corporate director and officer of the Petitioners is 1000 Color Place, Apopka, Florida 32703. Petitioners contemplate that the same individuals, with possible minor exceptions, will serve as officers and directors of SSU upon completion of the restructuring. Petitioners also anticipate that the Board of Directors of SSU will be expanded upon restructuring to include several outside directors from Petitioners' service territory.

10. The management personnel and corporate procedures involved in the daily rendition of water and wastewater services by Petitioners are identical and will remain in place upon completion of the restructuring.

11. Once restructured, Petitioners will operate under one tariff. A sample SSU tariff (including descriptions of the territories to be served) will be provided to the Commission within forty-five (45) days of the date of this petition. Petitioners expect the SSU tariff to be substantially similar in form and content to the tariffs of DUI and United which currently are on file with the Commission (and which became effective on November 1, 1990).

12. The change of the corporate name on each of the certificates of authorization from DUI and United to SSU (which is proposed as part of Petitioners' restructuring) will not affect the

rates and charges currently charged by each of Petitioners for water, wastewater and related services. Indeed, in light of the Commission's findings in Docket No. 881501-WS, the proposed name change is virtually a procedural formality. Application of Topeka Group, Inc. to Acquire Control of Deltona Corporation's Utility Subsidiaries, 89 FPSC 12:154 (Order dated December 12, 1989) (the "Transfer Order"). In the Transfer Order, the Commission found that Topeka possessed the technical, financial and managerial capabilities necessary to provide quality water and wastewater utility service to Florida residents. 89 FPSC at 12:155-58. The Commission based its finding primarily on the following facts:

(1) all of the personnel then engaged in the daily operation of DUI and United would continue to operate the utilities when management control was transferred to Topeka; (2) Topeka had demonstrated its ability to provide DUI and United with engineering, administrative, financial, and operational support and legal services through Topeka's subsidiary, SSUSI; (3) there were three common corporate officers among SSUSI, DUI and United; and (4) Topeka had "assembled an impressive management team with the resources to fulfill its commitment to provide quality water and wastewater utility service." Id. Thus, the Commission held that the transfer of control of DUI and United to Topeka was in the public interest. As demonstrated earlier in this petition, at this time there are additional compelling facts which support the Commission's approval of the proposed restructuring of DUI, United and SSU as being in the public interest. These facts include: (1) each of Petitioners are wholly-owned subsidiaries of Topeka; (2) all of the personnel

currently engaged in the daily management and operation of the water and wastewater systems of SSU, DUI and United will continue to manage and operate the system; (3) the many and diverse operation and management services currently provided to Petitioners on a consolidated basis by SSUSI will continue to be provided by SSU; <sup>1</sup>(4) the corporate directors and officers of DUI, United and SSU are identical and with minor exceptions the same individuals will retain their positions with SSU after the merger; and (5) the current rates and charges of SSU, DUI and United for water, wastewater and related services will be unaffected by the merger and name change on the certificates. In addition, SSU's sole business is the water and wastewater utility business, therefore, the primary focus of SSU management will continue to be to provide high quality utility services. In addition, the tariffs and annual reports of SSU, DUI and United are on file with the Commission and the books and records of SSU, DUI and United are available for inspection by the Commission.

13. The merger of Petitioners as proposed herein will result in numerous efficiencies associated with regulatory oversight (one annual report, one set of internal and external audits, etc.), record-keeping (one set of books and records, etc.), customer service procedures (billing, collections, etc.) and corporate and regulatory

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<sup>1</sup> The restructuring will include subsidiaries of SSU (Venice Gardens Utility Corporation) and DUI (Seaboard Utilities Corporation), as well as SSUSI. Applications for authority to merge these corporations, change the corporate name and franchises, etc., will be filed with the appropriate governmental and regulatory authorities. Upon approval of this petition, Petitioners will provide copies of the merger documents to be filed with the Department of State (as they become available) if the Commission so desires.

procedures (one tariff, one rate application, one set of minimum filing requirements). Commission Staff has recognized these efficiencies. In Docket No. 900329-WS, now pending before the Commission, Petitioners requested that the Commission provide Petitioners rate relief associated with 34 of their approximately 150 water and wastewater systems. In Staff's recommendation to the Commission in that proceeding, Staff "applauds" Petitioners' "attempt to move towards consolidation of systems for ratemaking purposes," acknowledges that "benefits to customers, [Petitioners], and the Commission exist" from the consolidation of Petitioners and encourages Petitioners to pursue their consolidation efforts. Staff Recommendation (dated May 16, 1991), p. 348. Staff also expresses its firm belief that "consolidation can benefit the entire industry" and that "certain consolidation can and should be pursued outside of a formal proceeding (such as consolidation of the [Petitioners'] tariffs)." Id. at 349. Indeed, Staff took the prospective filing of this petition and the anticipated consolidation of Petitioners during 1991 into account when making its recommendations to the Commission in that proceeding. Id. at 219-21, 254. For instance, Staff recommended that the Commission approve Petitioners' proposal to use a consolidated capital structure for ratemaking purposes. Id. at 219-221. The proposal was not contested by any party to the proceeding. Moreover, the record revealed that there was no material difference among the respective costs of capital of each of the Petitioners during the test year, particularly after considering the tax impact of the interest expense deduction. In recommending that the Commission approve Petitioners' proposal, Staff stated as follows:

Staff believes that rates should be set for the future and that the future portends one consolidated capital structure for the Utility, not three. Staff believes that the rates of return for the individual companies will converge because the companies' funding and financial planning will occur under one management. Staff notes that the recommendation of one capital structure and rate of return does not prevent the Commission from setting specific rates for each individual system based on the expenses and investment for that system. Based on the testimony regarding the planned merger during the projected test year, the common ownership of the three companies and the economic efficiency of the consolidated structure, Staff recommends that the Commission use consolidated capital structure for ratemaking purposes.

Id. at 220. Petitioners are in accord with these Staff beliefs and findings.

14. As the surviving corporation after the merger, SSU will succeed to all of the property of DUI and United (including accounts receivable and other debts due to DUI and United) and assume all of their liabilities and obligations, including the administration of customer deposits (and payment of interest thereon) and customer advances. All guaranteed revenue contracts, developer agreements and leases to which DUI and United are a party shall be assigned or otherwise transferred to and assumed by SSU. The assets and liabilities of SSU after the merger will be the sum of the assets and liabilities of SSU, DUI and United immediately prior to the merger. The capital surplus and earned surplus of SSU

after the merger will be the sum of the respective surpluses of DUI, United and SSU. Also, the rate base (net book value) of SSU after the name change on the certificates and the merger will be the sum of the respective rate bases of DUI, United and SSU immediately prior to the merger. Finally, DUI and United will transfer to SSU all warranty deeds and/or other evidence of ownership of, or rights to, property dedicated to the provision of utility services, including real property. Applicants propose to provide the Commission with evidence of transfers of warranty deeds and other interests in real property, as necessary, within six months of the date of a Commission order approving this petition.

15. United has no outstanding debt obligations. DUI either has notified or is in the process of obtaining appropriate consents from the holders of certain bonds outstanding in the aggregate amount of approximately \$35 million of the proposed merger of DUI, United and SSU. Bondholders also have been or are being informed that their rights and privileges (including security interests) shall remain unaffected by the proposed merger and that the duties and obligations of DUI to bondholders shall be assigned to and assumed by SSU.

16. As requested by Commission Staff, attached as Appendix B is a financial statement for the fiscal year ending December 31, 1990 (which provides financial information concerning Petitioners on a stand alone as well as a consolidated basis), and a projected consolidated financial statement for the fiscal year ending December 31, 1991 will be provided to the Commission as soon as it is available.

17. Petitioners have been unable to identify any statutory notice requirements which directly apply to the unique facts and circumstances presented in this petition. To the extent that the Commission may deem that certain statutory notice requirements do apply, Petitioners request that such notice requirements be waived. Petitioners' request for waiver is supported by the following facts: The officers and directors of Petitioners are identical. All of the personnel and procedures involved in Petitioners' daily activities and operations will remain the same if the restructuring is approved. Petitioners are all wholly-owned subsidiaries of Topeka and have been managed and operated on a consolidated basis since 1989. Thus, all legal, accounting, forecasting, budgeting, engineering, billing and collection and operating functions already are administered on a consolidated basis. These functions shall continue to be performed on a consolidated basis by SSU upon restructuring. Moreover, Petitioners' customers (as well as the Office of Public Counsel, local governmental authorities and neighboring water and wastewater utilities) have been informed of and are familiar with the affiliate relationship of Petitioners through numerous bill inserts, notices, pleadings filed with the Commission or other correspondence distributed by Petitioners, SSUSI and Topeka over the past several years. The affiliate relationship of Petitioners also has been made clear to customers in notices concerning the application for rate increase filed jointly by Petitioners in 1990 which currently is pending before the Commission. Finally, the proposed change of the corporate name appearing on the certificates of authorization currently held by DUI and United to SSU represents a procedural

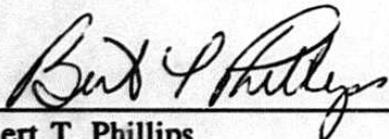
formality which will have no material affect upon Petitioners' customers. For these reasons, Petitioners believe that the Commission should waive any notification requirements which it may otherwise deem to be applicable.

WHEREFORE, for all of the foregoing reasons, Applicants respectfully request that the Commission issue an order (1) approving the restructuring of Petitioners' utility operations, (2) approving the change of the corporate name appearing on the certificates of authorization provided in Appendix A hereto from DUI and United to SSU and (3) waiving application of notice requirements which otherwise might be deemed to be applicable.

Respectfully submitted,  
SOUTHERN STATES UTILITIES, INC.  
DELTONA UTILITIES, INC.  
UNITED FLORIDA UTILITIES

CORPORATION

By: \_\_\_\_\_

  
Bert T. Phillips  
President

**APPENDIX A**

**CERTIFICATE NUMBERS**

	<b><u>WATER</u></b>	<b><u>SEWER</u></b>
<b>CITRUS SPRINGS UTILITIES (United Florida)</b>		
CITRUS COUNTY	211-W	156-S*
<b>DELTONA UTILITIES, INC.</b>		
HERNANDO COUNTY Spring Hills Utilities, Inc. (Deltona)	46-W	47-S
VOLUSIA COUNTY Deltona Lakes Utilities (Deltona)	47-W	48-S
<b>MARCO ISLAND UTILITIES (Deltona)</b>		
COLLIER COUNTY	452-W	386-S
<b>MARCO SHORES UTILITIES (Deltona)</b>		
COLLIER COUNTY	470-W**	405-S
<b>MARION OAKS UTILITIES (United Florida)</b>		
MARION COUNTY	379-W	326-S
<b>SUNNY HILLS UTILITIES (United Florida)</b>		
WASHINGTON COUNTY	501-W	435-S
<b>PINE RIDGE UTILITIES (United Florida)</b>		
CITRUS COUNTY	476-W	

\*Original certificate no. 156-S was filed with the Commission by letter dated April 22, 1991 in Docket No. 910039-SU: Application for Certificate Amendment.

\*\*This certificate will be filed with the Commission when available.

(DUPLICATE)



# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

211-W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Citrus Springs Utilities

(United Florida)

Whose principal address is

1000 Color Place

Apoka, Florida 32703

(Citrus)

to provide Water service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER 16292 DATED 6-30-86 DOCKET 860672-WS

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION



*[Signature]*  
Director, Division of Records & Reporting

*[Signature]*  
Executive Director



# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

46-W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Spring Hills Utilities, Inc.

(Deltona)

Whose principal address is

1000 Color Place

Apoka, Florida 32703

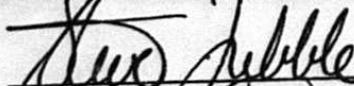
(Hernando County)

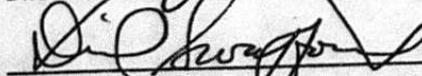
to provide Water service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER	<u>4914</u>	DATED	<u>7-9-70</u>	DOCKET	<u>69394-W</u>
ORDER	<u>4914-A</u>	DATED	<u>9-16-70</u>	DOCKET	<u>69394-W</u>
ORDER	<u>9377</u>	DATED	<u>5-21-80</u>	DOCKET	<u>790324-WS</u>
ORDER	<u>18005</u>	DATED	<u>8-14-87</u>	DOCKET	<u>870874-WS</u>

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

  
Director, Division of Records & Reporting

  
Executive Director





**General Offices**

1000 Color Place  
Apopka, FL 32703  
(407) 880-0058

April 22, 1991  
Via UPS Overnight

James E. McRoy, Engineer  
Florida Public Service Commission  
Fletcher Building  
101 East Gaines Street  
Tallahassee, Florida 32399-0850

Re: Docket No. 910039-SU, Application for Amendment  
of Southern States Utilities, Inc. Certificate No. 156-S  
in Citrus County, Florida

Dear Mr. McRoy:

Pursuant to your request, enclosed is the original referenced certificate. After updating, please return the certificate to us at your earliest convenience.

Thank you for your assistance; please contact me if you need any additional information.

Very truly yours,

Lisa Freeman Schutz  
Paralegal

lfs

Enclosure

cc: Karla Olson Teasley  
Jan Phillips



(DUPLICATE)

# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

46-W

ORDER 21198 DATED 5-8-89 DOCKET 881183-WS

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION





# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

47-S

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Spring Hills Utilities, Inc. (Deltona)

Whose principal address is

1000 Color Place

Apoka, Florida 32703 (Hernando County)

to provide Sewer service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

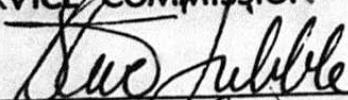
ORDER 4914 DATED 7-9-70 DOCKET 69395-S

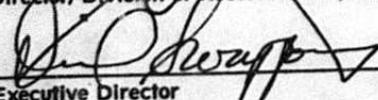
ORDER 4914-A DATED 9-16-70 DOCKET 69395-S

ORDER 8339 DATED 6-6-78 DOCKET 760784-S

ORDER 8636 DATED 1-4-79 DOCKET 780661-S

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

  
Director, Division of Records & Reporting

  
Executive Director





(DUPLICATE)

# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

47-5

ORDER 9377 DATED 5-22-87 DOCKET 790324-WS

ORDER 18005 DATED 8-14-87 DOCKET 870874-WS

ORDER 21198 DATED 5-8-89 DOCKET 881183-WS

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION





# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

47-W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Deltona Lakes Utilities, Inc. (Deltona)

Whose principal address is

1000 Color Place

Apoka, Florida 32703

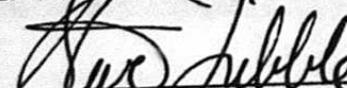
(Volusia County)

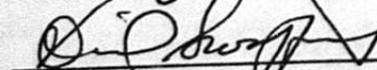
to provide Water service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER <u>4771</u>	DATED <u>10-9-69</u>	DOCKET <u>69296-W</u>
ORDER <u>6713</u>	DATED <u>6-11-75</u>	DOCKET <u>74041-W</u>
ORDER <u>6713-A</u>	DATED <u>11-2-76</u>	DOCKET <u>74041-W</u>
ORDER <u>7451</u>	DATED <u>9-27-76</u>	DOCKET <u>760524-W</u>

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

  
Director, Division of Records & Reporting

  
Executive Director





(DUPLICATE)

# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

47-W

ORDER 7637 DATED 2-10-77 DOCKET 760828-W

ORDER 7873 DATED 6-28-77 DOCKET 760925-W

ORDER 8298 DATED 5-5-78 DOCKET 770548-W

ORDER 8352 DATED 6-12-78 DOCKET 770912-W

ORDER 8957 DATED 7-16-79 DOCKET 780849-W

ORDER 9377 DATED 5-21-80 DOCKET 790324-WS

ORDER 9452 DATED 7-16-80 DOCKET 800489-W

ORDER 14811 DATED 8-29-85 DOCKET 850187-WS

ORDER 20417 DATED 12-5-88 DOCKET 881172-WU

ORDER 21297 DATED 5-30-89 DOCKET 890464-WS

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION





# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

48-S

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Deltona Lakes Utilities (Deltona)

Whose principal address is

1000 Color Place

Apoka, Florida 32703 (Volusia County)

to provide Sewer service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

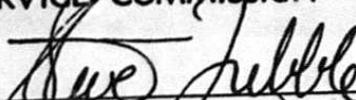
ORDER 4771 DATED 10-9-69 DOCKET 69297-S

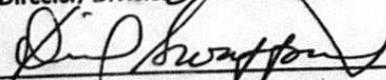
ORDER 6713 DATED 6-11-75 DOCKET 74042-S

ORDER 7210 DATED 4-19-76 DOCKET 760252-S

ORDER 6713-A DATED 11-2-76 DOCKET 74042-S

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

  
Director, Division of Records & Reporting

  
Executive Director





(DUPLICATE)

# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

48-S

ORDER 9377 DATED 5-21-80 DOCKET 790324-WS

ORDER 14811 DATED 8-29-85 DOCKET 850187-WS

ORDER 21297 DATED 5-30-89 DOCKET 890464-WS

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION





# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

452-W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Marco Island Utilities (Deltona)

Whose principal address is

1000 Color Place

Apoka, Florida 32703 (Collier)

to provide Water service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

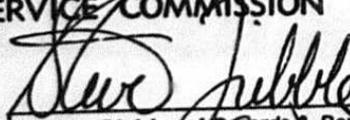
ORDER 17218 DATED 2-23-87 DOCKET 850314-WS

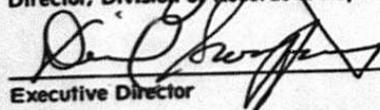
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ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

  
Director, Division of Records & Reporting

  
Executive Director





# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

405-S

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Marco Shores Utilities (Deltona)

Whose principal address is

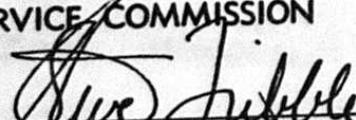
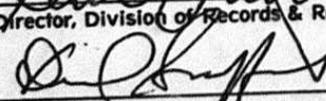
1000 Color Place  
Apoka, Florida 32703 (Collier)

to provide Sewer service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER 17218 DATED 2-23-87 DOCKET 850314-WS  
ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_  
ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_  
ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

  
Director, Division of Records & Reporting  
  
Executive Director





# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

379-W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Marion Oaks Utilities (United Florida)

Whose principal address is

1000 Color Place  
Apoka, Florida 32703 (Marion)

to provide Water service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

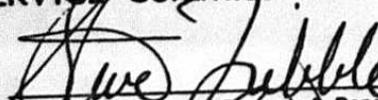
ORDER 11474 DATED 12-29-82 DOCKET 820424-WS

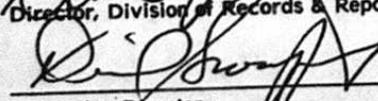
ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

  
Director, Division of Records & Reporting

  
Executive Director





# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

326-S

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Marion Oaks Utilities (United Florida)

Whose principal address is  
1000 Color Place

Apoka, Florida 32703 (Marion)

to provide Sewer service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER 11474 DATED 12-29-82 DOCKET 820424-WS

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

*Steve Jubble*  
Director, Division of Records & Reporting

*D. D. Shaw*  
Executive Director





# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

501-W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Sunny Hills Utilities (United Florida)

Whose principal address is

1000 Color Place

Apoka, Florida 32703 (Washington)

to provide Water service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER 18902 DATED 2-22-88 DOCKET 870984-WS

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION



*[Signature]*  
Director, Division of Records & Reporting

*[Signature]*  
Executive Director



# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

435-S

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Sunny Hills Utilities (United Florida)

Whose principal address is

1000 Color Place

Apoka, Florida 32703 (Washington)

to provide Sewer service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

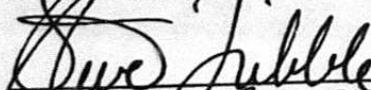
ORDER 18902 DATED 2-22-88 DOCKET 870984-WS

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

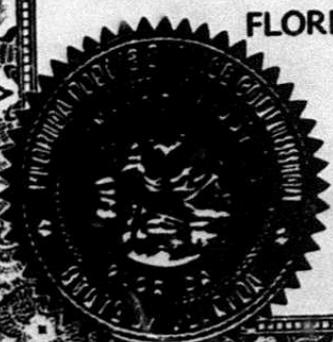
ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

  
Director, Division of Records & Reporting

  
Executive Director



(DUPLICATE)



# FLORIDA PUBLIC SERVICE COMMISSION

## CERTIFICATE NUMBER

476-W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Pine Ridge Utilities (United Florida)

Whose principal address is

1000 Color Place  
Apoka, Florida 32703 (Citrus)

to provide Water service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

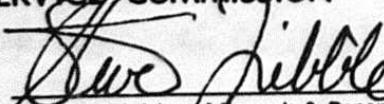
ORDER 16292 DATED 6-30-86 DOCKET 860672-WS

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

ORDER \_\_\_\_\_ DATED \_\_\_\_\_ DOCKET \_\_\_\_\_

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION

  
\_\_\_\_\_  
Director, Division of Records & Reporting

  
\_\_\_\_\_  
Executive Director



**APPENDIX B**

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Southern States Utilities, Inc.  
Proforma Consolidated Financial Statements  
December 31, 1990

	DUI	UFUC	SSUSI	ELIMINATIONS	DUG TOTAL	SSU TOTAL	COMBINED FLORIDA (W/ELIM)
<b>UTILITY PLANT</b>							
GENERAL PLANT IN SERVICE	2,281,339	745,544	12,355		3,039,237	4,125	3,043,363
WATER PLANT IN SERVICE	47,930,313	8,752,776	1,992,416		58,675,505	46,872,578	105,548,082
SEWER PLANT IN SERVICE	31,225,973	8,147,438	0		39,373,411	46,356,526	85,729,937
GAS PLANT IN SERVICE	4,407,917	1,409,607	0		5,817,524	0	5,817,524
PLANT HELD FOR FUTURE USE	6,598,860	10,551,562	0		17,150,422	22,973,291	40,123,713
CWIP	5,280,714	2,379,990	505,787		8,166,491	5,695,471	13,861,962
NON-UTILITY PROPERTY	0	865	0		865	366,554	367,419
ACCUMULATED DEPRECIATION	(21,255,523)	(5,410,788)	(169,656)		(26,835,967)	(18,946,436)	(45,782,402)
ACQUISITION ADJ NET OF AMORT	(3,151,777)	(2,663,373)	0		(5,815,150)	(2,200,997)	(8,016,148)
ADQ ADJ-SUBS-NET	0	0	0		0	0	0
<b>NET UTILITY PLANT IN SERVICE</b>	<b>73,317,815</b>	<b>23,913,621</b>	<b>2,340,902</b>	<b>0</b>	<b>99,572,338</b>	<b>101,121,113</b>	<b>200,693,451</b>
<b>CURRENT ASSETS</b>							
CASH	180,595	285,471	229,375		695,442	1,706,341	2,401,782
TEMPORARY CASH INVESTMENTS	8,428,929	0	0		8,428,929	12,412	8,441,341
CUSTOMER ACCTS RECEIVABLE	1,120,422	161,220	0		1,281,642	1,038,377	2,320,019
OTHER ACCOUNTS RECEIVABLE	381,049	2,585	(13,555)		370,079	222,917	592,997
ALLOW FOR DOUBTFUL ACCOUNTS	(104,458)	(38,440)	0		(142,898)	(56,711)	(199,609)
INTERCO A/R	(229,602)	1,495,384	(2,229,828)		(964,047)	954,002	(10,045)
INTERCO A/R--MPL	1,042,208	(987,516)	(7,723)		46,970	(261,651)	(214,681)
INTERCO A/R--TGI	7,283	39,672	0		46,955	0	46,955
INVENTORY	466,725	253,273	0		719,997	84,971	804,968
PREPAID & OTHER EXPENSES	24,321	(3,009)	722,039		743,352	218,707	962,058
ACCRUED INTEREST RECEIVABLE	52,978	0	0		52,978	542	53,519
UNBILLED REVENUE	1,424,528	320,012	0		1,744,540	1,147,379	2,891,919
<b>TOTAL CURRENT ASSETS</b>	<b>12,794,978</b>	<b>1,528,652</b>	<b>(1,299,692)</b>	<b>0</b>	<b>13,023,938</b>	<b>5,067,285</b>	<b>18,091,223</b>
<b>OTHER ASSETS &amp; DEF. CHARGES</b>							
UNAMORTIZED DEBT ISSUE COSTS	265,023	0	0		265,023	31,063	296,086
DEFERRED RATE CASE EXPENSE	328,695	261,884	12,144		602,723	688,804	1,291,527
DEFERRED TAX DEBITS	7,089,935	681,730	0		7,771,665	3,722,235	11,493,900
MORTGAGES RECEIVABLE	0	0	0		0	63,028	63,028
OTHER	1,059,722	197,825	111,465		1,369,012	210,417	1,579,429
<b>TOTAL OTHER ASSETS</b>	<b>8,743,375</b>	<b>1,141,439</b>	<b>123,609</b>	<b>0</b>	<b>10,008,423</b>	<b>4,715,548</b>	<b>14,723,971</b>
<b>TOTAL ASSETS</b>	<b>94,856,168</b>	<b>26,583,712</b>	<b>1,164,819</b>	<b>0</b>	<b>122,604,699</b>	<b>110,903,945</b>	<b>233,508,644</b>

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Southern States Utilities, Inc.  
Proforma Consolidated Financial Statements  
December 31, 1990

	DUI	UFUC	SSUSI	ELIMINATIONS	DUG TOTAL	SSU TOTAL	COMBINED FLORIDA (W/ ELIM)
<b>CAPITALIZATION</b>							
COMMON STOCK	100	100	100		300	107,500	107,800
ADDITIONAL PAID IN CAPITAL	25,328,034	14,578,929	0		39,906,963	14,847,150	54,754,113
RETAINED EARNINGS	1,472,467	(171,414)	181,003		1,482,055	3,003,815	4,485,870
<b>TOTAL STOCKHOLDER'S EQUITY</b>	<b>26,800,601</b>	<b>14,407,615</b>	<b>181,103</b>	<b>0</b>	<b>41,389,318</b>	<b>17,958,466</b>	<b>59,347,784</b>
LONG TERM DEBT	35,125,000	0	0		35,125,000	26,154,679	61,279,679
<b>TOTAL CAPITALIZATION</b>	<b>61,925,601</b>	<b>14,407,615</b>	<b>181,103</b>	<b>0</b>	<b>76,514,318</b>	<b>44,113,145</b>	<b>120,627,463</b>
<b>CURRENT LIABILITIES</b>							
A/P--TRADE	2,443,282	309,273	375,205		3,127,759	2,536,547	5,664,306
NOTES PAYABLE--TGI	1,000,000	8,446,250	0		9,446,250	0	9,446,250
CUSTOMER DEPOSITS	962,972	163,860	0		1,126,832	825,137	1,951,968
TAXES OTHER THAN INCOME	565,491	57,070	(451)		622,110	2,897,262	3,519,372
ACCRUED INTEREST	425,351	5,676	0		431,027	459,978	891,005
OTHER CURRENT LIABILITIES	238,726	60,028	281,212		579,967	154,163	734,130
DEFERRED REVENUES	1,784,307	0	0		1,784,307	628,044	2,412,351
CURRENT PORTION LTD	1,549	22,316	0		23,865	1,263,020	1,286,885
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,421,679</b>	<b>9,064,473</b>	<b>655,966</b>	<b>0</b>	<b>17,142,118</b>	<b>8,764,150</b>	<b>25,906,269</b>
<b>DEFERRED CREDITS</b>							
DEF CARRYING COSTS--PGI	0	0	0		0	1,441,486	1,441,486
DEF DEPOSITS--DELTONA LAND SAL	0	49,901	0		49,901	0	49,901
DEFERRED INCOME TAXES	1,696,564	253,083	342,790		2,292,437	3,425,440	5,717,878
DEFERRED ITCS	543,189	22,905	0		566,094	510,586	1,076,680
ESTIMATED CURRENT INCOME TAX	(511,680)	(144,420)	(15,040)		(671,140)	(577,194)	(1,248,334)
<b>TOTAL DEFERRED CREDITS</b>	<b>1,728,073</b>	<b>181,469</b>	<b>327,750</b>	<b>0</b>	<b>2,237,292</b>	<b>4,800,319</b>	<b>7,037,611</b>
<b>OTHER LIABILITIES</b>							
CIAC NET OF AMORT	23,766,203	2,305,203	0		26,071,406	53,252,332	79,323,738
ADVANCES FOR CONSTRUCTION	14,611	624,953	0		639,564	(26,000)	613,564
<b>TOTAL OTHER LIABILITIES</b>	<b>23,780,814</b>	<b>2,930,156</b>	<b>0</b>	<b>0</b>	<b>26,710,970</b>	<b>53,226,332</b>	<b>79,937,302</b>
<b>TOTAL LIABILITIES</b>	<b>32,930,567</b>	<b>12,176,098</b>	<b>983,716</b>	<b>0</b>	<b>46,090,380</b>	<b>66,790,801</b>	<b>112,881,181</b>
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>94,856,167</b>	<b>26,583,712</b>	<b>1,164,819</b>	<b>0</b>	<b>122,604,698</b>	<b>110,903,946</b>	<b>233,508,644</b>

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Southern States Utilities, Inc.  
Proforma Consolidated Financial Statements  
December 31, 1990

	DUI	UFUC	SSUSI	ELIMINATIONS	DUG TOTAL	SSU TOTAL	COMBINED FLORIDA (W/ ELIM)
<b>OPERATING REVENUES</b>							
WATER	11,265,878	1,645,204	0		12,911,082	7,818,497	20,729,579
SEWER	4,012,543	1,231,847	0		5,244,389	5,768,107	11,012,496
GAS	2,466,555	612,152	0		3,078,707	0	3,078,707
OTHER	333,658	120,807	0		454,465	283,720	738,185
<b>TOTAL OPERATING REVENUES</b>	<b>18,078,633</b>	<b>3,610,010</b>	<b>0</b>	<b>0</b>	<b>21,688,643</b>	<b>13,870,323</b>	<b>35,558,966</b>
<b>OPERATING EXPENSE DEDUCTIONS</b>							
OPERATIONS	5,422,115	1,069,960	0		6,492,075	5,474,653	11,966,728
MAINTENANCE	844,703	143,871	0		988,574	1,232,415	2,220,989
ADMINISTRATIVE & GENERAL	4,294,527	1,228,141	0		5,522,669	3,359,881	8,882,550
TAXES OTHER THAN INCOME	719,501	115,795	0		835,296	542,276	1,377,572
PROPERTY TAXES	652,457	257,862	0		910,319	1,149,291	2,059,610
DEPRECIATION	1,539,545	453,652	0		1,993,198	1,539,199	3,532,396
<b>TOTAL OPER. EXPENSE DEDUCTION</b>	<b>13,472,849</b>	<b>3,269,281</b>	<b>0</b>	<b>0</b>	<b>16,742,130</b>	<b>13,297,715</b>	<b>30,039,845</b>
<b>INCOME FROM OPERATIONS</b>	<b>4,605,785</b>	<b>340,729</b>	<b>0</b>	<b>0</b>	<b>4,946,513</b>	<b>572,608</b>	<b>5,519,121</b>
<b>OTHER INCOME</b>							
INTEREST	4,656,844	911	0	4,146,250	511,506	52,922	564,428
AFUDC--EQUITY	221,045	57,925	0		278,970	138,306	417,276
OTHER NON-UTILITY INCOME	26,639	886	0		27,525	17,136	44,661
MANAGEMENT OPERATIONS	0	0	0		0	(61,620)	(61,620)
EXTRA INCOME (MI appeal & PGI)	765,001	0	0		765,001	599,429	1,364,430
<b>TOTAL OTHER INCOME</b>	<b>5,669,529</b>	<b>59,722</b>	<b>0</b>	<b>4,146,250</b>	<b>1,583,001</b>	<b>746,174</b>	<b>2,329,175</b>
<b>MERCHANDISING &amp; JOBBING</b>							
REVENUES	127,013	53,599	0		180,611	0	180,611
COSTS	87,582	33,120	0		120,702	0	120,702
<b>TOTAL MERCH. &amp; JOBBING</b>	<b>39,430</b>	<b>20,479</b>	<b>0</b>	<b>0</b>	<b>59,909</b>	<b>0</b>	<b>59,909</b>
<b>OTHER INCOME DEDUCTIONS</b>							
INTEREST	9,109,189	848,688	0	4,146,250	5,811,627	2,103,101	7,914,728
AFUDC--DEBT	(374,374)	(19,262)	0		(393,637)	(178,076)	(571,713)
EXPENSE OF DEBT	75,982	0	0		75,982	15,171	91,153
<b>TOTAL OTHER INCOME DEDUCTION</b>	<b>8,810,797</b>	<b>829,425</b>	<b>0</b>	<b>4,146,250</b>	<b>5,493,972</b>	<b>1,940,197</b>	<b>7,434,168</b>
<b>GROSS INCOME</b>	<b>1,503,947</b>	<b>(408,496)</b>	<b>0</b>	<b>0</b>	<b>1,095,452</b>	<b>(621,415)</b>	<b>474,037</b>
<b>INCOME TAXES</b>	<b>460,965</b>	<b>(186,198)</b>	<b>0</b>	<b>0</b>	<b>274,768</b>	<b>(306,361)</b>	<b>(31,593)</b>
<b>NET INCOME</b>	<b>1,042,982</b>	<b>(222,298)</b>	<b>0</b>	<b>0</b>	<b>820,684</b>	<b>(315,054)</b>	<b>505,630</b>