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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for )  
 Extension of Service )  
 Area (Amendment of )  
 Certificate No. 103-S) )  
 and for New Class of ) Filed: November 8, 1996  
 Service (wastewater - )  
 only service) by Poinciana )  
 Utilities Inc. in )  
 Polk County, Florida )

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APPLICATION FOR EXTENSION OF SERVICE AREA  
(AMENDMENT OF CERTIFICATE NO. 103-S) AND FOR  
NEW CLASS OF SERVICE

Poinciana Utilities Inc. (PUI), by and through its undersigned counsel and pursuant to Section 367.045, Florida Statutes, and Rule 25-30.036(3), Florida Administrative Code, files this application for extension of service area (amendment of Certificate No. 103-S) in Polk County, Florida, and, pursuant to Section 367.091, Florida Statutes, for a new class of service, and in support submits the following:

1. The name and address of the utility is:

Poinciana Utilities Inc.  
 14 Dover Plum Center  
 Poinciana, Florida 34759

The name and address of the person to receive a copy of all notices, pleadings, papers, and other filings in this docket is:

Wayne L. Schiefelbein  
 Gatlin, Woods & Carlson  
 1709-D Mahan Drive  
 Tallahassee, Florida 32308  
 (904) 877-7191

Attorneys for Poinciana Utilities Inc.

DOCUMENT FILED DATE  
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 FPSC-RECORDS/REPORTING

2. The South Florida Water Management District (the District) has requested that PUI extend its service area so as to provide wastewater service to the Hatchineha Estates area (the Property) in Polk County. In September, 1996, PUI and the District entered into a contract in that regard. (Exhibit 1) As described more fully in paragraph no. 1 of said contract, the District and the United States Army Corps of Engineers are involved in a project whereby the water level of Lake Hatchineha will be raised. This will impact 61 of the 318 residents of the Property currently served by individual septic tanks located at or below a certain elevation. Thus, there is clearly a need for wastewater service to the Property.

3. PUI has the financial and technical ability to provide wastewater service to the Property. Financial information concerning PUI is on file with the Commission in PUI's 1995 Annual Report. PUI operates its wastewater operations in a satisfactory manner.

4. PUI believes that there is no other wastewater utility that is willing and capable of providing reasonably adequate service to the Property. The closest alternative central wastewater utility known to PUI is Polk County Utilities at the Sun Air development some eight (8) miles away from the Property, and there is no excess capacity at such utility facilities.

5. To the best of PUI's knowledge, its provision of wastewater service to the Property would be consistent with the sanitary sewer subelement of the Polk County Comprehensive Plan.

It is PUI's understanding that the County's Utility Master Plan has no provisions for expanding wastewater service to the Property.

6. PUI owns the land upon which the wastewater treatment facilities that would serve the Property (wastewater plant no. 5) are located. A copy of a recorded Warranty Deed to said wastewater treatment site is attached. (Exhibit 2)

7. A description of the proposed service area extension, using township, range and section references as specified in Rule 25-30.030(2), Florida Administrative Code, is attached. (Exhibit 3)

8. A detailed system map, in the form of a preliminary drawing, showing the proposed lines, treatment facilities, and the proposed service area extension is attached. (Exhibit 4)

9. A copy of the official county tax assessment map with the proposed service area extension plotted thereon is attached. (Exhibit 5)

10. a) The wastewater treatment plant which would serve the Property (Plant No. 5) is permitted at 660,000 gallons per day (gpd). Peak daily flows are about 691,000 gpd. Average daily flows are about 544,000 gpd. Added flows from the Property would be approximately 64,000 gpd. Construction of an expansion of the rapid infiltration basins at Plant No. 5, to a capacity of 943,000 gpd, is currently underway. Completion is anticipated by March 1997. PUI has also recently applied to the Florida Department of Environmental Protection (FDEP) for a construction permit to expand Plant No. 5's treatment capacity to 950,000 gpd. Construction is anticipated to start in mid-1997, with the expanded treatment plant

on line in early 1998. Provided that all necessary approvals are obtained from the Commission and FDEP, complete installation of facilities necessary to provide wastewater service to the Property is anticipated in late 1998.

b) The wastewater system needed to serve the Property would require installation of approximately fifty-six (56) manholes, 16,000 linear feet of 8-inch PVC gravity mains and two lift stations. Also needed are installation of 16,000 linear feet of an 8-inch PVC force main and one lift station activation to get the wastewater flow from the Property to Plant No. 5 for treatment.

c) Effluent disposal for the Property would be by existing rapid infiltration basins.

11. No permits have been issued for new facilities to serve the Property. As needed, these will be applied for following Commission approval of the instant application.

12. Upon Commission approval of this application, PUI will require the District, and the District has agreed, to comply with PUI's Service Availability Policy, as contained in its Commission-approved tariff, including but not limited to a written contract for service, contribution of facilities and payment of all wastewater service availability fees and charges required to render wastewater service to the Property and the 318 individual residences therein. Accordingly, the proposed service area extension would have no significant impact on PUI's capital structure.

13. The type of customers anticipated to be served by the extension are single family residences, primarily mobile homes.

14. a) PUI's provision of wastewater service alone, without concomitant central water service, requires that a special flat rate for wastewater service be established for individual residents of the Property. The individual residents at the Property receive their water from wells; thus, their water consumption is not metered by any utility. PUI therefore requests that the Commission approve as a new class of service PUI's provision of residential wastewater only service, using a monthly base facility charge of \$12.68 and a flat monthly consumption charge of \$14.36. An explanation of the development of this proposed rate, and proposed tariff sheets for the proposed rate, are attached. (Exhibit 6)

b) The proposed extension would otherwise have no impact on PUI's monthly rates and service availability charges.

15. A proposed tariff sheet reflecting the additional service area is attached. (Exhibit 7)

16. Certificate No. 103-S is attached (Exhibit 8).

17. Order No. PSC-94-1168-FOF-WS is the most recent order of the Commission establishing or amending the existing wastewater rates for PUI. Service availability charges were amended by Orders Nos. 19092 and 19233.

18. An affidavit that PUI has tariffs and annual reports on file with the Commission is attached. (Exhibit 9)

19. The proposed extension will provide up to 318 ERCs with wastewater service. Pursuant to Rule 25-30.020, Florida

Administrative Code, the filing fee for the application is \$500. A check in that amount payable to the Commission accompanies this application.

20. a) Pursuant to Rule 25-30.030, Florida Administrative Code, PUI obtained from the Commission a list of governmental agencies and water and wastewater utilities to which notice of application is required. (Exhibit 10)

b) Within seven days of filing this application, PUI will provide a copy of the notice by regular mail to the entities listed on Exhibit 10. A copy of the notice is attached. (Exhibit 11) An affidavit confirming this provision of notice will be furnished after this notice is completed.

c) Within seven days of filing this application, PUI will also provide a copy of the said notice by regular mail to the District and to each known prospective customer to be served by the proposed extension. An affidavit confirming this provision of notice will be furnished after this notice is completed.

d) Arrangements have been made with The Ledger, Lakeland, Florida, a newspaper of general circulation in the territory proposed to be added, to publish the notice. This publication is expected no later than seven days after the date the application is filed. Proof thereof will be furnished as soon as it becomes available.

Based on the foregoing, Poinciana Utilities Inc. requests that Certificate No. 103-S be amended to extend its authorized service territory to include the above-described area, and that a new class

of service for the provision of residential wastewater only service  
be approved at the rate proposed hereinabove.

DATED this 8th day of November, 1996.

Respectfully submitted,

  
\_\_\_\_\_  
Wayne L. Schiefelbein  
Gatlin, Woods & Carlson  
1709-D Mahan Drive  
Tallahassee, Florida 32308  
(904) 877-7191

Attorneys for  
Poinciana Utilities Inc.

Exhibit 1

Contract Between the South Florida  
Water Management District and  
Poinciana Utilities Inc.

**CONTRACT**  
**BETWEEN THE**  
**SOUTH FLORIDA WATER MANAGEMENT DISTRICT**  
**AND**  
**PONCIANA UTILITIES, INC.**

Ponciana Utilities Inc. (Company) and the South Florida Water Management District (District) agree as follows:

1. The District is involved in the federally authorized Kissimmee River Restoration Project, a joint effort with the United States Army Corps of Engineers (the Corps) to restore the Kissimmee River to its original meandering configuration. The Headwaters Revitalization Project, also known as the Upper Basin Works (the Project), is a critical component of the plans to restore the Kissimmee River. The purpose of the Project is to modify seasonal water storage operations in the Kissimmee Chain of Lakes to stimulate historic seasonal water flow to the River Valley. This modification will increase water storage capacity in the Upper Basin and will enhance fish and bird habitat at the lakes edges by restoring historic fluctuations to lake water levels. To date, the District has acquired over 21,000 acres of land around Lakes Kissimmee, Cypress and Hatchineha below 54 feet NGVD, necessary for additional water storage. An additional 7,000 acres need to be acquired. One of the subdivisions affected by implementation of the Project is Hatchineha Estates (the Property) in Polk County, Florida. Individual septic tanks serving residents of the Property with the top of the tank at or below elevation 56.0 feet will be impacted by the Project. The District and the Corps intend to remediate this situation to comply with applicable public health regulations.
2. The District desires that the Company make central wastewater collection, treatment and disposal services ("wastewater service") available to individual residents currently served by the impacted septic tanks at the Property as well as all other residents of the Property.
3. The Company has sufficient permitted treatment and disposal capacity to accommodate the wastewater flows reasonably expected to be generated by the Property in its entirety.
4. A legal description of the Property, as prepared by or on behalf of the District, is attached hereto as Exhibit A and by this reference incorporated herein.
5. The Property is located outside of the Company's certificated wastewater service area, as established by the Florida Public Service Commission (FPSC).
6. The Company is willing and hereby agrees to make wastewater service available to individual

residents of the Property in accordance with the requirements of and upon approval by the FPSC, and pursuant to the terms and conditions of this Agreement

7. The extension of the Company's certificated service area to include the Property will require the formal approval by the FPSC of an application submitted pursuant to Section 367.045, Florida Statutes, and Rule 25-30.036, Florida Administrative Code

8. With reference to that application

a) the District agrees to provide to the Company a legal description of the Property and the requisite territorial map, consistent with the format and specifications of the FPSC, (i) documentation that the Company's extension of the wastewater service to the Property is consistent with the wastewater section of the local comprehensive plan for Polk County as approved by the Department of Community Affairs, at the time the application is filed, or a statement demonstrating why granting the extension would be in the public interest, if possible with the written support of appropriate officials of Polk County

b) the Company agrees to otherwise prepare and submit the application pursuant to the FPSC's requirements

9. The Company's provision of wastewater service alone, without concomitant central water service, will require the development of a special flat rate for wastewater service to the individual residents of the Property. This special rate will require a cost-of-service study by the Company and will require FPSC approval. The rate proposal and supporting information will be prepared by the Company and submitted to the FPSC with the formal extension application discussed hereinabove. The Company agrees to propose a rate in the Rate Application in an amount of Twenty Seven Dollars and Four Cents (\$27.04) per month for each residential customer (base charge of \$12.68 plus flat usage of \$14.36)

10. a) The District agrees to reimburse the Company up to an amount equal to Forty-nine Thousand Five Hundred Dollars (\$49,500.00) for those actual costs incurred that relate to the Company's extension of wastewater service to the Property and are delineated in the attached Exhibit "B", attached hereto and made a part hereof, including (i) all reasonable attorney fees and expenses incurred by the Company in negotiating and drafting this Agreement, and other necessary agreements related thereto; (ii) all reasonable attorney, engineering, accounting and other professional fees and costs incurred by the Company in obtaining the requisite FPSC approval of the extension of service area to include the Property in the Company's certificated service area, defending any challenge filed on the FPSC Filings and to establishing wastewater rates to be applied to residents of the Property; (iii) all associated filing fees, and expenses related to the provision of legal notices in compliance with applicable law; (iv) all associated out of pocket expenses incurred by or on behalf of the Company, such as photocopying, postage, filing fees, travel and other incidental and administrative expenses.

b) The District shall be required to make payment to the Company of all such costs, fees and expenses within thirty (30) days of the date of written notification thereof

c) Should the District fail to pay all such costs, fees and expenses in accordance with said time limitation, the Company reserves the right to discontinue its request for extension of service area immediately, until such time as all such costs, fees and expenses, including costs for enforcement of this provision, are paid by the District.

d) The amount expended under this Agreement for the DISTRICT'S fiscal year ending September 30, 1996 shall not exceed Forty-nine Thousand Five Hundred Dollars (\$49,500.00). Further funding of this Agreement is subject to DISTRICT Governing Board budgetary appropriation for future District fiscal year(s). In the event the District does not approve funding for future fiscal years, this Agreement shall terminate upon expenditure of the current funding, notwithstanding other provisions in this Agreement to the contrary, unless prior thereto, additional funding for this AGREEMENT is approved by the District Governing Board and the Agreement is amended, subject to Governing Board approval.

e) Either party may terminate this Agreement at any time for convenience upon thirty (30) calendar days prior written notice to the other party. Any such termination shall be effective upon receipt of a Notice of Termination specifying the extent to which performance of work under the Agreement is terminated. Upon termination the parties hereto shall be relieved of any and all future obligations under this Agreement. The DISTRICT may withhold payments to the COMPANY for disputed work but the DISTRICT shall pay the COMPANY for non-disputed work.

11. The District also agrees to provide its assistance to the Company in support of the aforesaid application to the FPSC. This includes preparation of responses to requests for information by the FPSC, attendance at any necessary meetings with the FPSC, and, in the event the application is contested and scheduled for formal hearing, preparation of prefiled testimony and exhibits of District personnel, and/or representatives, in areas of the District's expertise, which testimony and exhibits are necessary to defend the application before the FPSC.

12. Upon FPSC approval of the extension of the Company's certificated service area to include the Property, the District acknowledges and agrees, as an applicant for service to comply with the Company's Service Availability Policy, to the extent allowed by Florida law, as contained in the Company's FPSC approved tariff, including but not limited to the provisions requiring a written contract for service, contribution of facilities, as well as payment of all wastewater service availability fees and charges, and the associated applicable state and federal tax impact amounts, required to render wastewater service to the Property and the individual residents therein. A copy of the Company's current Service Availability Policy is on file with the FPSC. This policy, and applicable fees and charges, are subject to change by the FPSC.

In witness, the South Florida Water Management District has caused these presents to be executed in its name by its proper representatives thereunder duly authorized, this 5<sup>TH</sup> day of SEPTEMBER, 1996

LEGAL FORM APPROVED  
SEWMD OFFICE OF COUNSEL

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

By: Frank Heatzel  
DATE: 9/21/96

By: James D. Gray  
for Deputy Executive Director

POINCIANA UTILITIES, INC.

By: Michael Acosta

Title: Michael Acosta  
Vice President, Engineering & Operations

EXHIBIT "A"

LEGAL DESCRIPTION

DESCRIPTION  
"PROPOSED TERRITORY"  
HATCHINEHA ESTATES

Starting at the Southeast corner of the Southeast 1/4 of the Southwest 1/4 of Section 19, Township 28 South, Range 29 East, as a POINT OF BEGINNING; thence North 175 feet; thence East 100 feet; thence South 175 feet; thence West 100 feet to the POINT OF BEGINNING, and all that part of the East 1/2 of Section 19, Township 28 South, Range 29 East. Lying North and West of the following described line: a strip of land 100 feet wide lying North and West of: Beginning at a point 75 feet North of the Southeast corner of the Southwest 1/4 of Section 19, Township 28 South, Range 29 East, Polk County, Florida run thence East 225 feet; thence at an angle of North 50° 45' East, for a distance of 2250 feet, North 42° East 675' to water Lake Hatchineha.

The above description is taken without change from a survey prepared for Wiley J. Parker dated August 24, 1956 by B. M. Higgenbotham.

c:\data\kcol\hatchine  
October 3, 1995 kh

LEGAL DESCRIPTION
APPROVED: <u>W. J. Parker B &amp; M</u>
DATE: <u>05 OCT 95</u>



EXHIBIT "B"

REIMBURSABLE COSTS

1. The following reasonable costs incurred by or on behalf of the COMPANY are reimbursable by the DISTRICT in accordance with the terms of the attached Agreement

A. FPSC Filings

- 1) Legal, engineering, accounting, or other professional fees and costs as provided herein that are incurred by the COMPANY in i) preparing the FPSC filings, ii) responding to information requests from the FPSC, and iii) attending, when necessary, meetings with the FPSC
- 2) The hourly rates for professional services to be reimbursed under this subparagraph shall not exceed the following
  - a) Attorney's fee at a rate not to exceed \$175 per hour for services rendered by Ken Gatlin, and a rate not to exceed \$150 per hour for services rendered by Wayne Schiefelbein or other designated attorneys employed at the legal firm of Gatlin, Woods and Carlson
  - b) Outside professional Engineer at a rate not to exceed \$110 per hour
  - c) Outside Accountant at a rate not to exceed \$150 per hour
  - d) In-house staff at his/her actual hourly rate, not to exceed \$60 per hour
- 3) Filing fees and costs of publishing legal notices required by law
- 4) COMPANY overhead or indirect costs are not reimbursable
- 5) The DISTRICT shall reimburse the COMPANY and/or its subcontractors for actual expenses incurred that relate to Company's extension application.

B. Defense of Challenge

- 1) Legal, engineering accounting, professional fees and other administrative fees as provided herein that are incurred by the COMPANY in defending a challenge filed against the FPSC Filings, including representation of the COMPANY at a formal hearing and appeal(s), necessary participation in discovery and case preparation, and providing witness testimony in a formal hearing (such activities collectively referred to as "Defense of Challenge");

- 2) The hourly rates for professional services to be reimbursed under this subparagraph shall not exceed the following
  - a) Attorney's fee at a rate not to exceed \$175 per hour for services rendered by Ken Gatlin, and a rate not to exceed \$150 per hour for services rendered by Wayne Schiefelbein or other designated attorneys employed at the legal firm of Gatlin, Woods and Carlson.
  - b) Outside Accountant fees at a rate not to exceed \$150 per hour
  - c) In-house staff at his/her actual hourly rate, not to exceed \$60 per hour
- 3) The COMPANY overhead or indirect costs are not reimbursable
- 4) The COMPANY shall consult with and obtain the approval of the DISTRICT, which approval shall not be unreasonably withheld, in the selection of outside professional services for a Defense of Challenge. Prior to contracting with outside professionals, the COMPANY shall provide in writing to the DISTRICT the resume, hourly fee, and service to be rendered by the outside professional.
- 5) The DISTRICT shall reimburse the COMPANY and/or its subcontractors for actual expenses incurred that relate to Company's extension application
- 6) The COMPANY shall notify the DISTRICT when Defense of Challenge costs reach \$15,000.00 so that the DISTRICT may assess future funding, if any

Exhibit 2  
Recorded Warranty Deed  
to Wastewater Treatment Plant Site  
(Plant No. 5)

# Warranty Deed

This Indenture, Made the 25th day of October, A. D. 1984  
 BETWEEN AVATAR PROPERTIES INC., a Florida corporation, whose mailing address is 201 Alhambra Circle, Coral Gables, Florida 33134  
 of the County of Dade, and State of Florida, party of the first part, and  
 POINCIANA UTILITIES INC., a Florida corporation,

whose permanent address is 7 Doverplum Center, Kissimmee, of the County of Osceola, and State of Florida, party of the second part.

Witnesseth, That, the said party of the first part, for and in consideration of the sum of TWO HUNDRED THIRTY SIX THOUSAND FIVE HUNDRED 00/00 (\$236,500.00) lawful money of the United States of America, to it in hand paid by the said party of the second part, at or before the ensembling and delivery of these presents, the receipt whereof is hereby acknowledged, has granted, bargained, sold, aliened, remised, released, conveyed and confirmed, and by these presents do es grant, bargain, sell alien, remise, release, convey and confirm unto the said party of the second part, and successors heirs and assigns forever, all the following piece parcel or tract of land, situate, lying and being in the County of Polk, State of Florida, and more particularly described as follows:

All of Tract "A", of Village 8, Neighborhood 2, in POINCIANA, according to the Plat thereof, as same is recorded in Plat Book 53, at Pages 29 and 30, of the Public Records of Polk County, Florida, located in Sections 10 and 11, Township 28 South, Range 28 East.

Containing 54.415 acres.

SUBJECT TO all easements, restrictions, reservations, ordinances, conditions, limitations of record, if any, and all taxes from the date hereof and for all subsequent years.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and also all the estate, right, title, interest, dower and right of dower, separate estate, property, possession, claim and demand whatsoever, as well as in equity, of the said party of the first part, of, in and to the same, and every part and parcel thereof, with the appurtenances.

To Have and To Hold the above granted, bargained and described premises, with the appurtenances, unto the said party of the second part, successors heirs and assigns, to its own proper use, benefit and behoof forever.

And the said party of the first part, for itself and for its successors and administrators, does covenant, promise and agree to and with the said party of the second part, successors heirs and assigns, that the said party of the first part, at the time of the ensembling and delivery of these presents, is lawfully seized of and in all and singular the above granted, bargained and described premises, with the appurtenances, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid. And the said party of the second part, its successors, heirs and assigns, shall and may at all times hereafter peaceably and quietly have, hold, use, occupy, possess and enjoy the above granted premises and every part and parcel thereof, with the appurtenances, without any let, suit, trouble, molestation, eviction or disturbance of the said party of the first part, successors heirs or assigns, or of any other person or persons lawfully claiming or to claim the same, by, through and under the grantor herein.

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And the said party of the first part, for itself and for SUCCESSORS, heirs, warrants the above described and hereby granted and released premises, and every part and parcel thereof, with the appurtenances, unto the said party of the second part, its SUCCESSORS heirs and assigns, against the said party of the first part, SUCCESSORS, heirs, and against all and every person or persons whomsoever lawfully claiming or to claim the same, by, through and under the grantor herein, shall and will warrant and by these presents forever defend.

In Witness Whereof, The said party of the first part has hereunto set its hand and seal the day and year first above written.

Signed, sealed and delivered in the presence of us:

*[Signatures of witnesses]*

AVATAR PROPERTIES INC.

By: *[Signature: Dennis J. Getman]* (Seal)  
Dennis J. Getman - Sr. V.P.

Attest: *[Signature: Juanita I. Rivera]* (Seal)  
Juanita I. Rivera - Secretary

This Instrument prepared by: *[Signature: Ellen G. Hirsch]*  
Address: This Instrument prepared by ELLEN G. HIRSCH, Esquire  
14th Floor, 201 Alhambra Circle  
Coral Gables, Florida 33134

State of Florida }  
County of Dade } ss.

On this day personally appeared before me, Dennis J. Getman and Juanita I. Rivera, as Senior Vice President and Secretary, respectively of Avatar Properties Inc. to me well known and known to me to be the individual described in and who executed the foregoing deed of conveyance, and acknowledged that they executed the same for the purpose therein expressed, whereupon it is prayed that the same may be recorded, on behalf of the corporation.

In Witness Whereof, I have hereunto affixed my hand and official seal, this 29<sup>th</sup> day of October, A. D. 19 84  
*[Signature: Cassie A. Byrd]*  
(Seal)

NOTARY PUBLIC STATE OF FLORIDA AT LARGE

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE  
MY COMMISSION EXPIRES JUNE 17, 1985  
RECORDED IN THE GENERAL REG. OFFICE

POLK COUNTY 325048  
STATE OF FLORIDA  
DOCUMENTARY STAMP TAX  
DEPT. OF REVENUE  
NOV 13 '84  
900.00

POLK COUNTY 325049  
STATE OF FLORIDA  
DOCUMENTARY STAMP TAX  
DEPT. OF REVENUE  
NOV 13 '84  
164.25

RAMCO FORM 36  
Warranty Book  
SPECIAL

TO

Dated

ABSTRACT OF DESCRIPTION

FILED, RECORDED AND  
RECORD VERIFIED  
E.D. "Bud" DIXON, Clk. Cir. Ct.  
POLK COUNTY, FLA.  
BY *[Signature]* D.G.

Exhibit 3  
Description of Proposed Service  
Area Extension

DESCRIPTION

"PROPOSED TERRITORY"

HATCHINEHA ESTATES

Starting at the Southeast corner of the Southeast 1/4 of the Southwest 1/4 of Section 19, Township 28 South, Range 29 East, as a POINT OF BEGINNING; thence North 175 feet; thence East 100 feet; thence South 175 feet; thence West 100 feet to the POINT OF BEGINNING, and all that part of the East 1/2 of Section 19, Township 28 South, Range 29 East lying North and West of the following described line: Beginning at a point 75 feet North of the Southeast corner of the Southwest 1/4 of Section 19, Township 28 South, Range 29 East, Polk County, Florida run thence East 225 feet; thence at an angle of North 50° 45' East, for a distance of 2250 feet, thence North 42° East for a distance of 675' to the waters of Lake Hatchineha.

The above description is taken from a survey prepared for Wiley J. Parker dated August 24, 1956 by B. M. Higgenbotham.

Together with the South 210 feet of the East 1050 feet of the Southwest quarter of said Section 19.

a:\kcol\hatchine  
October 3, 1995  
Revised: October 8, 1996  
Revised: October 31, 1996

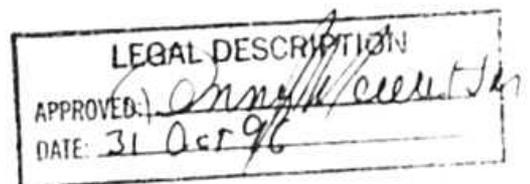


Exhibit 4

System Map. (two sheets)

(Furnished directly to  
Richard Reddeman, P.E., Division  
of Water & Wastewater  
on November 1, 1996)

Exhibit 5

Official County Tax Assessment Map  
with the Proposed Service Area  
Extension Plotted thereon

(Furnished directly to  
Richard Redemann, P.E.,  
Division of Water & Wastewater  
on November 1, 1996)

Exhibit 6

- a) Justification for & explanation of development of proposed new class of service/ wastewater only service for Hatchineha Estates (two pages)
- b) Proposed Tariff Sheets (Wastewater)
  - 1. Fourth Revised Sheet - No. 19.0
  - 2. Fourth Revised Sheet - No. 22.0

POINCIANA UTILITIES INC.  
FRANCHISE ADDITION  
HATCHINEHA ESTATES AREA  
RESIDENTIAL WASTEWATER  
RATE STRUCTURE

**Current Residential Wastewater  
Rate Structure for Current Franchise area.....**

Base Facility Charge: (Monthly Minimum)		
	Meter Size	Rate
	All	\$12.68
Consumption Charge: Per 1,000 Gallons of Water Used (8,000 Maximum Gallonage)		\$3.59

**Proposed Residential Wastewater  
Rate Structure for New Franchise area only.....**

Base Facility Charge: (Monthly Minimum)		
	Meter Size	Rate
	All	\$12.68
Consumption Charge: (Flat rate) Based on \$3.59 per 1,000 (as shown above) x average usage of 4,000 gallons.		\$14.36

Since these new customers are not on PUI's water system and are not metered by any utility, PUI does not know what the actual average water consumption is for these new customers. However, this area is primarily mobile homes, which typically use less water than a standard home. Since the standard residential customer averages 6,000 gallons of water per month, an estimated average consumption of 4,000 gallons was utilized in determining the rate structure.

POINCIANA UTILITIES INC.  
FRANCHISE ADDITION  
HATCHINEHA ESTATES AREA  
RESIDENTIAL WASTEWATER  
RATE STRUCTURE

Revenue Calculation....

No. of New Customers	Months Active	Monthly Bill	Average Monthly Revenue	Annual Revenue	
318 B.	12	BFC	\$12.68	\$4,032.24	\$48,387
207 x.	12	Consumption	14.36	2,972.52	35,670
111	6	Consumption	14.36	1,593.96	19,128
		Total	\$27.04	\$8,598.72	\$103,185
x.	65.00% of B.				=====

Expense Calculation....

1995 Annual O & M Expenses - Wastewater

Collection	\$57,762
Pumping	105,281
Treatment	468,020
Customer Accounting	135,178
General & Admin	384,014
Taxes, Income & Other	281,659
<b>Total</b>	<b>\$1,431,914</b>

No. of Current PUI WW Customers 4,612

Cost per current customer \$310.48 A.

Estimated Annual Expenses for New Customers:

Cost per Current Customer x New Customers (A. x B.)			
\$310.48	x	318	= \$98,731
			=====
			\$4,453

INDEX OF RATE SCHEDULES

	<u>SHEET NUMBER</u>
GENERAL SERVICE & MULTIPLE DWELLING SERVICE . . . . .	20.0
RESIDENTIAL SERVICE . . . . .	21.0
RESIDENTIAL WASTEWATER ONLY SERVICE HATCHINEHA ESTATES AREA . . . . .	22.0
MISCELLANEOUS SERVICE CHARGES . . . . .	23.0

Gerald S. Allen  
President

RESIDENTIAL WASTEWATER ONLY SERVICE  
FOR HATCHINEHA ESTATES AREA

RATE SCHEDULE - WASTEWATER ONLY

Availability - Residential wastewater only service in accordance with this rate schedule is specifically for the Hatchineha Estates Area within the Company's certificated area.

Applicability - This rate schedule is applicable to any individual family residence receiving sewer only service from Poinciana Utilities Inc.

Limitations - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.

Residential Wastewater Only Service

Base Facility Charge: (Monthly Minimum)	\$12.68	per month
Plus Gallonage Charge: (Flat Rate)	\$14.36	per month

Terms of Payment - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. Service may be discontinued after five (5) working days' written notice is mailed to the customer separate and apart from any other bill.

Effective Date: For service rendered on or after \_\_\_\_\_.

Type of Filing: New Customer Class - Wastewater Only Service.

Gerald S. Allen  
President

Exhibit 7

Proposed tariff sheet  
reflecting the additional  
service area

Second Revised Sheet No. 3.10

SECOND REVISED SHEET NO. 3.10  
Cancelling First Revised Sheet No. 3.10

POINCIANA UTILITIES INC.  
WASTEWATER TARIFF

(continued from Sheet No. 3.9)

In Township 27 South, Range 29 East, Section 18

From the point of beginning (P.O.B.) at the northwest corner of the south 1/2 of the north 1/2 of Section 18, Township 27 South, Range 29 East; run south  $89^{\circ} 59' 30''$  East 2969.10 feet; thence south  $26^{\circ} 06' 30''$  west 572.32 feet; thence north  $89^{\circ} 59' 00''$  west 2716.94 feet; thence north  $00^{\circ} 02' 03''$  west 512.79 feet to the P.O.B.

In Township 27 South, Range 29 East, Section 6

The South 1/2 of the NW 1/4 of the NE 1/4 of the NE 1/4  
AND  
the SW 1/4 of the NE 1/4 of the NE 1/4  
AND  
the SE 1/4 of the NE 1/4 of the NE 1/4.

In Township 28 South, Range 29 East, Section 19

Starting at the Southeast corner of the Southeast 1/4 of the Southwest 1/4 of Section 19, Township 28 South, Range 29 east, as a POINT OF BEGINNING; thence North 175 feet; thence East 100 feet; thence South 175 feet; thence West 100 feet to the POINT OF BEGINNING, and all that part of the East 1/2 of Section 19, Township 28 South, Range 29 East lying North and West of the following described line: Beginning at a point 75 feet North of the Southeast corner of the Southwest 1/4 of Section 19, Township 28 South, range 29 East, Polk County, Florida run thence East 225 feet; thence at an angle of North  $50^{\circ} 45'$  East, for a distance of 2250 feet, thence North  $42^{\circ}$  East for a distance of 675' to the waters of Lake Hatchineha.

Together with the South 210 feet of the east 1050 feet of the Southwest quarter of said Section 19.

Gerald S. Allen  
President

Exhibit 8

Certificate No. 103-S

(Original furnished directly  
to Richard Reddeman, P.E.,  
Division of Water & Wastewater)

FLORIDA PUBLIC SERVICE COMMISSION

Certificate Number  
103 - S

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

POINCIANA UTILITIES INC.

Whose principal address is:

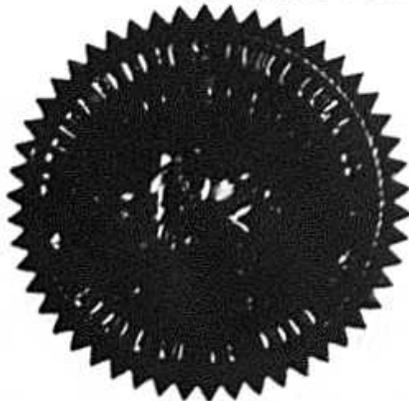
14 Doverplum Center  
Kissimmee, Florida 34759-3495 (Osceola & Polk Counties)

to provide wastewater service in accordance with the provision 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	5787	DOCKET	71581-W
ORDER	24370	DOCKET	900951-WS
ORDER	25220	DOCKET	910832-WS
ORDER	PSC-93-1604-FOF-WS	DOCKET	930690-WS
ORDER	PSC-95-1212-FOF-WS	DOCKET	950941-WS
ORDER	PSC-96-0899-FOF-WS	DOCKET	960097-WS

BY ORDER OF THE  
FLORIDA PUBLIC SERVICE COMMISSION



*Blanca S. Bayo*  
Director  
Division of Records and Reporting

Exhibit 9  
Affidavit on tariffs  
and annual reports

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Extension of Service )  
Area (Amendment of Certificate No. 103-S) )  
and for New Class of Service wastewater - )  
only service by Poinciana Utilities Inc. in )  
Polk County, Florida )

AFFIDAVIT

State of Florida  
County of Osceola

Before me personally appeared Larry L. Good, who, being duly sworn, deposes  
and says:

1. I am the Regional Manager of Poinciana Utilities Inc.
2. Poinciana Utilities Inc. Has tariffs and annual reports

on file with the Commission.

Further affiant says not.



Larry L. Good  
Poinciana Utilities Inc.

Sworn to and subscribed before me this 31<sup>st</sup> Day of October, 1996.

  
Notary Public

Exhibit 10

PSC List of Agencies and  
Utilities to Which Notice  
of Application is Required  
(dated 10/25/96)

LIST OF WATER AND WASTEWATER UTILITIES IN POLK COUNTY

(VALID FOR 60 DAYS)  
10/25/1996-12/23/1996

UTILITY NAME

MANAGER

POLK COUNTY

POINCIANA UTILITIES INC. (65191)  
P. O. BOX 21119  
SEASIDE, FL 3276-4119

LARRY (111)  
(407) 933-5302

LIST OF WATER AND WASTEWATER UTILITIES IN FOLK COUNTY

(VALID FOR 60 DAYS)  
10/25/1996-12/23/1996

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CENTRAL FL. REGIONAL PLANNING COUNCIL  
P.O. BOX 2089  
BARTOW, FL 33831

CLERK, BOARD OF COUNTY COMMISSIONERS, FOLK COUNTY  
P. O. BOX 9000, DRAWER CC-1  
BARTOW, FL 33830-9000

DEP CENTRAL DISTRICT  
3319 MACUIPE BLVD., SUITE 232  
ORLANDO, FL 32803-3767

DEP SOUTHWEST DISTRICT  
3904 COCONUT PALM DRIVE  
TAMPA, FL 33618-8318

MAYOR, CITY OF ALBURNDALE  
P. O. BOX 185  
ALBURNDALE, FL 33823-0185

MAYOR, CITY OF BARTOW  
450 NORTH WILSON  
BARTOW, FL 33830-3964

MAYOR, CITY OF EAGLE LAKE  
P. O. BOX 129  
EAGLE LAKE, FL 33839-0129

MAYOR, CITY OF FROSTBROOK  
P. O. BOX 308  
FROSTBROOK, FL 33843-0308

MAYOR, CITY OF FT. MEADE  
P. O. BOX 866  
FT. MEADE, FL 33841-0866

LIST OF WATER AND WASTEWATER UTILITIES IN POLK COUNTY

(VALID FOR 60 DAYS)  
10/25/1996-12/23/1996

UTILITY NAME	MAYOR
MAYOR, CITY OF HAINES CITY P. O. BOX 1507 HAINES CITY, FL 33945-1507	=
MAYOR, CITY OF LAKE ALFRED 120 EAST ROMEO STREET LAKE ALFRED, FL 33950-2136	
MAYOR, CITY OF LAKE WALES P. O. BOX 1320 LAKE WALES, FL 33859-1320	
MAYOR, CITY OF LAKELAND 228 SOUTH MASSACHUSETTS AVENUE LAKELAND, FL 33801-5086	
MAYOR, CITY OF MULBERRY P. O. BOX 707 MULBERRY, FL 33960-0707	
MAYOR, CITY OF WINTER HAVEN P. O. BOX 2277 WINTER HAVEN, FL 33883-2277	
MAYOR, TOWN OF DAVENPORT P. O. BOX 125 DAVENPORT, FL 33837-0125	
MAYOR, TOWN OF DUNDEE P. O. BOX 1000 DUNDEE, FL 33838-1000	
MAYOR, TOWN OF HILLOREST HEIGHTS 200 BRITTON STREET P. O. BOX 129 BAXTER PARK, FL 33877-9670	

LIST OF WATER AND WASTEWATER UTILITIES IN FOLK COUNTY

(VALID FOR 60 DAYS)  
10/25/1996-12/23/1996

UTILITY NAME

MANAGER

MAYOR, TOWN OF LAKE HAMILTON  
P. O. BOX 126  
LAKE HAMILTON, FL 33851-0126

MAYOR, TOWN OF FOLK CITY  
P. O. BOX 1139  
FOLK CITY, FL 33868-1139

MAYOR, VILLAGE OF HIGHLAND PARK  
1337 NORTH HIGHLAND PARK  
LAKE WALES, FL 33853-7422

S.W. FLORIDA WATER MANAGEMENT DISTRICT  
2329 BROAD STREET  
BROOKSVILLE, FL 34609-6889

S.D. FLORIDA WATER MANAGEMENT DISTRICT  
P.O. BOX 24680  
WEST PALM BEACH, FL 33416-4680

STATE OFFICIALS

STATE OF FLORIDA PUBLIC COUNSEL  
C/O THE HOUSE OF REPRESENTATIVES  
THE CAPITOL  
TALLAHASSEE, FL 32399-1300

DIVISION OF RECORDS AND REPORTING  
FLORIDA PUBLIC SERVICE COMMISSION  
2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FL 32399-0880

Exhibit 11  
Notice of Application

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Extension of Service )  
Area (Amendment of Certificate No. 103-S)  
and for New Class of Service (wastewater- )  
only service) by Poinciana Utilities Inc. in )  
Polk County, Florida )

NOTICE OF APPLICATION

NOTICE is hereby given, pursuant to Section 367.045, Florida Statutes, of the application of Poinciana Utilities Inc. to amend its Certificate 103-S for wastewater service to add territory in Polk County, Florida as follows:

A parcel of land lying in Section 19, Township 28 South, Range 29 East, Polk County, Florida more particularly described as follows:

Starting at the Southeast corner of the Southeast 1/4 of the Southwest 1/4 of Section 19, Township 28 South, Range 29 East, as a POINT OF BEGINNING; thence North 175 feet; thence East 100 feet; thence South 175 feet; thence West 100 feet to the POINT OF BEGINNING, and all that part of the East 1/2 of Section 19, Township 28 South, Range 29 East lying North and West of the following described line: Beginning at a point 75 feet North of the Southeast corner of the Southwest 1/4 of Section 19, Township 28 South, Range 29 East, Polk County, Florida run thence East 225 feet; thence at an angle of North 50° 45' East, for a distance of 2250 feet, thence North 42° East for a distance of 675' to the waters of Lake Hatchineha.  
Together with the South 210 feet of the East 1050 feet of the Southwest quarter of said Section 19.

Any objection to the said application must be made in writing within thirty (30) days from this date to the Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. A copy of said objection should be mailed to the counsel for the applicant whose address is:

**WAYNE L. SCHIEFELBEIN**  
Gatlin, Woods & Carlson  
1709-D Mahan Drive  
Tallahassee, Florida 32308  
(904)877-7191