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December 4, 1997

FEDERAL EXPRESS

DEPOSIT DATE
D 6 6 8 - DEC 0 8 1997

Ms. Blanca Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

971596-WS

RECEIVED
FLORIDA PUBLIC
SERVICE COMMISSION
97 DEC -5 PM 1:54
MAIL ROOM

Re: Petition for a Limited Proceeding Regarding Other Postretirement Employee Benefits and Petition for Variance from or Waiver of Rule 25-14.012, Florida Administrative Code, by United Water Florida Inc.

Dear Ms. Bayo:

In connection with the above-referenced matter, please find the following:

1. An original and fifteen copies of a Petition for a Limited Proceeding Regarding Other Postretirement Employee Benefits and Petition for Variance from or Waiver of Rule 25-14.012, Florida Administrative Code, by United Water Florida Inc.
2. A WordPerfect 6.1 formatted, high double density disk which contains a copy of the Petition.
3. An original and two copies of proposed tariff sheets as follows:
 1. Water Tariff Tenth Revised Sheet No. 16.0
 2. Water Tariff Eleventh Revised Sheet No. 17.0
 3. Water Tariff Tenth Revised Sheet No. 19.0
 4. Wastewater Tariff Tenth Revised Sheet No. 17.0
 5. Wastewater Tariff Tenth Revised Sheet No. 17.2
 6. Wastewater Tariff Tenth Revised Sheet No. 18.0
4. A check payable to the Florida Public Service Commission in the amount of \$4,500.00 for the filing fees.

DOCUMENT NUMBER-DATE

12519 DEC-860

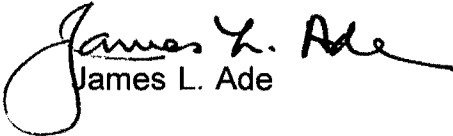
FPSC-RECORDS/REPORTING

Ms. Blanca Bayo, Director
December 4, 1997
Page 2

Please file the original Petition and distribute the copies in accordance with your usual procedures.

If you have any questions or comments regarding this matter, please do not hesitate to call.

Sincerely yours,


James L. Ade

SGS/msa
Enclosures

cc: Mr. David E. Chardavoyne
Mr. Munipalli Sambamurthi
Mr. Robert Iacullo
Mr. Walton Hill
Mr. Frank McGuire
Ms. Rosanne Gervasi
Mr. Harold McLean
Mr. Carroll Webb

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for a Limited)
Proceeding Regarding Other)
Postretirement Employee)
Benefits and Petition for)
Variance from or Waiver of)
Rule 25-14.012, Florida)
Administrative Code, by)
United Water Florida Inc.)
_____)

DOCKET NO.: 971596-WS
Date Submitted for
Filing: December 4, 1997

PETITION FOR A LIMITED PROCEEDING REGARDING
OTHER POSTRETIREMENT EMPLOYEE BENEFITS
AND PETITION FOR VARIANCE FROM OR WAIVER OF
RULE 25-14.012, FLORIDA ADMINISTRATIVE CODE,
BY UNITED WATER FLORIDA INC.

United Water Florida Inc. ("United Water Florida"), pursuant to Section 120.542, Florida Statutes (Supp. 1996), and Sections 367.081 and 367.0822, Florida Statutes (1995), by and through its undersigned attorneys, hereby files this Petition for a Limited Proceeding Regarding Other Postretirement Employee Benefits and Petition for Variance from or Waiver of Rule 25-14.012, Florida Administrative Code, by United Water Florida Inc. ("Petition"), and states as follows:

PETITION FOR A LIMITED PROCEEDING REGARDING
OTHER POSTRETIREMENT EMPLOYEE BENEFITS

1. United Water Florida, formerly known as Jacksonville Suburban Utilities Company ("Jacksonville Suburban"), was a subsidiary of General Waterworks Corporation. General Waterworks Corporation was a subsidiary of GWC Corporation.

2. In this Petition, United Water Florida seeks rate treatment of its accumulated Other Postretirement Employee Benefits ("OPEB") costs for 1994, 1995, 1996, and through May 1997.

3. Traditionally, utility companies, like most employers, accounted for OPEB costs on a "pay-as-you-go" or cash basis of accounting. Emerging Issues Task Force ("EITF") 92-12, Accounting for OPEB Costs by Rate-Regulated Enterprises, Financial Accounting Standards Board ("FASB"), ("EITF 92-12"). Many public service commissions have "traditionally allowed OPEB costs to be included in rates on a pay-as-you-go basis." Id. Prior to the issuance of SFAS 106, as hereinafter defined, the Florida Public Service Commission ("Commission") allowed OPEB costs to be recovered in rates on a pay-as-you-go basis.

4. FASB reexamined this area of accounting and issued Statement of Financial Accounting Standards No. 106 regarding Employers' Accounting for Postretirement Benefits Other Than Pensions ("SFAS 106"). SFAS 106 provided that it was to be generally effective for fiscal years beginning after December 15, 1992 (i.e., generally for 1993 fiscal years and beyond) and also provided for the recognition of the obligation (related to prior service cost) arising from the transition.

5. "Because the obligation to provide [OPEB] benefits arises as employees render the service necessary to earn the benefits, the FASB concluded that the cost of providing the benefits should be

recognized over those employees' service periods." EITF 92-12. SFAS 106 changed the timing of the recognition of OPEB costs and liabilities, from a "pay-as-you-go" or a cash basis of accounting to an accrual basis of accounting. "The basic tenet of FAS 106 is that while it requires the use of some variables that are difficult to measure, recognition and measurement of the overall liability of the employer to provide OPEBs is best done through accrual accounting." Citizens of the State of Florida v. Public Service Commission, 15 FALR 1776, 1781, Case No. 92-5717RP ("Rule Approval Decision").

6. Under the accounting rules prior to SFAS 106, United Water Florida's compensation structure did not result in the recognition of a significant level of OPEB costs.

7. SFAS 106 did not change the total amount of OPEB costs to be recognized. It only changed the timing of the recognition of such costs by requiring the change from the cash basis of accounting to the accrual basis of accounting.

8. A significant portion of SFAS 106 is devoted to the transition from the cash basis of accounting to the accrual basis of accounting. As set forth in the Rule Approval Decision:

Standard 106 shares with other accounting standards a salient characteristic of pension accounting—delayed recognition. Changes are not made immediately, but are recognized in a gradual and systematic way. This is why there is a transition obligation in Standard 106. The employer's accumulated post-retirement benefit obligation for benefits attributable

to the period before Standard 106 became effective is recognized on a delayed basis.

15 FALR at 1781.

9. The Commission adopted the use of SFAS 106 in Rule 25-14.012, FAC, effective August 4, 1993. The Commission adopted the rule "under its statutory authority to set rates which allow regulated utilities sufficient revenue to recover prudently incurred costs of providing utility service, and a fair rate of return on the utilities' rate base." Rule Approval Decision, 15 FALR at 1777. The Commission allows utility companies, including United Water Florida, to recover OPEB costs in their rates. See Application for Rate Increase in Duval, Nassau and St. Johns Counties filed by United Water Florida Inc., Docket No. 960451-WS, ("Rate Case"), Order No. PSC-97-0618-FOF-WS, Final Order Approving Rates and Charges, Docket No. 960451-WS, issued May 30, 1997 ("Final Order"), pages 29-30, and 55-56.

10. On April 22, 1994, GWC Corporation was merged with United Water Resources Inc. In Order No. PSC 95-0215-FOF-WS, issued on February 16, 1995, in Docket No. 940743-WS, the Commission approved the transfer of majority organizational control of United Water Florida.

11. United Water Florida complied with SFAS 106. Because of the significant and extraordinary change during 1994, 1995, 1996 and through May 1997, United Water Florida recorded deferred OPEB costs amounting to \$1,100,098 ("Unrecovered OPEB Costs"). See

Exhibit 1. For that same period, United Water Florida made Voluntary Employee Beneficiary Association ("VEBA") contributions amounting to \$247,022 for its OPEB costs, resulting in an unfunded portion of OPEB costs in May 1997 of \$854,230. See attached Exhibit 1.

12. The Commission has approved United Water Florida's recovery of its annual OPEB costs. In the Rate Case, the Commission approved rates which were designed to recover United Water Florida's OPEB costs for the test year 1997. However, such a rate recovery of the 1997 OPEB will occur over approximately seven (7) months, commencing on May 19, 1997. Accordingly, United Water Florida did not recover its 1997 OPEB costs in its rates for approximately five (5) months of 1997, and therefore had continued to defer such amounts.

13. In the Rate Case, United Water Florida requested recovery of its deferred 1995 OPEB costs (which included the 1994 OPEB costs) and 1996 OPEB costs at the hearing. The Commission did not grant United Water Florida's request, ruling that "we did not disallow these [1995 and 1996 OPEB] costs, as the request for recovery was not entered into the record of evidence." Order No. PSC-97-1146-FOF-WS, Order Granting in Part and Denying in Part Motion for Reconsideration and Amending Order No. PSC-97-0618-FOF-WS, Docket No. 960451-WS, issued September 30, 1997 ("Reconsideration Order").

14. In the Rate Case, United Water Florida's rate base was reduced by \$1,143,920 for the amount of unfunded OPEB costs, which included the unfunded portions of OPEB costs for 1995 (including the 1994 OPEB costs), 1996, and through May 1997 in the amounts of \$351,512, \$365,644, and \$426,764, respectively.

15. SFAS 106 addressed the accounting for OPEB costs and changed the timing for the recognition of OPEB costs. SFAS 106 provides for the employer's accumulated unrecognized OPEB obligation to be recognized over a number of years. SFAS 106 did not disallow OPEB costs, change the amount of OPEB costs to be recovered, or prohibit OPEB costs from being recovered in rates. SFAS 106 changed the timing of recognition of OPEB costs - it should not be used to prevent the recovery of OPEB costs. If not for the accrual method of accounting adopted by SFAS 106, United Water Florida would recover its OPEB costs in the years of payments, most of which have not occurred. The provisions in SFAS 106 accounting for the transition obligation accelerated the recognition of OPEB liability for prior service costs. SFAS 106 allows for the distribution of such accumulated OPEB costs over a period of years, which avoids an uneven peaks and valleys distribution of OPEB costs.

16. While SFAS 106 resolved many accounting issues, it did not solve the recovery of the OPEB costs in rates unless the Commission increased utility companies' rates effective on the

adoption of SFAS 106. SFAS 106 does not provide a mechanism for the recovery of OPEB costs recognized from its adoption until the effective date of rates which include the recovery of OPEB costs. An appropriate mechanism for a recovery of such pre-rate recognition of OPEB costs is to distribute the accumulated deferred OPEB costs and their recovery through rates over a certain time period (e.g., fifteen years).

17. Unless United Water Florida is allowed to include in its rates its Unrecovered OPEB Costs, it will not recover its costs incurred in providing water and wastewater services to its customers. In compliance with the extraordinary and significant accounting changes prescribed by SFAS 106, United Water Florida recorded deferred costs for OPEBs for that period in the amount of \$1,100,098. During that same time period, United Water Florida made payments to the VEBA amounting to \$247,022 with miscellaneous accounting adjustments of \$1,154. Under the terms and conditions of SFAS 106 and EITF 92-12, unless United Water Florida recovers its OPEB costs for 1994, 1995, 1996, and through May 1997 in its rates, United Water Florida will be required to charge the liability entirely to income, a \$1,100,098 reduction in earnings. This \$1,100,098 charge will be a significant change in the financial position of the company. United Water Florida's net operating income will be reduced by thirteen and three-fourths percent (13.75%), and its overall rate of return will be reduced by

more than 130 basis points. See Exhibit 4. Furthermore, when United Water Florida makes the payments to fund the unfunded \$854,230, it will not recover such payments in its rates, even though the policy of the Commission is for customers to pay the OPEB costs in their rates.

18. Section 367.081 (2)(a), Florida Statutes (1995), provides in part as follows:

[t]he commission shall, either upon request or upon its own motion, fix rates which are just, reasonable, compensatory, and not unfairly discriminatory. In every such proceeding, the commission shall consider the ... cost of providing the service, which shall include, but not be limited to ... operating expenses ... ; and a fair return on the investment of the utility in property used and useful in the public service.

19. The Commission may consider this matter in a limited proceeding. Section 367.0822, Florida Statutes (1995), provides in part as follows:

[u]pon petition or by its own motion, the commission may conduct limited proceedings to consider, and act upon, any matter within its jurisdiction, including any matter the resolution of which requires a utility to adjust its rates.

The use of the limited proceeding will allow the parties to review, analyze, and address the issue.

20. United Water Florida has not recovered its OPEB costs for 1994, 1995, 1996 and through May 1997, through its rates. "The utility rate payers pay the cost of the OPEBs and other expenses in

their utility rates." Rule Approval Decision, 15 FALR at 1782. The Commission has not yet allowed the 1994, 1995 and 1996 OPEB costs (or allowed recovery for the 1997 OPEB costs through May 1997), but still reduced United Water Florida's rate base for the unfunded portion of the costs for those years. As noted in the Rule Approval Decision, the rate base reduction is to be for unfunded portions of allowed OPEB costs. Rule Approval Decision, 15 FALR at 1783. "Just as depreciation expenses result in a write-down of the value of the depreciated asset, so that the utility earns a rate of return only on the depreciated asset value, any unfunded accumulated post-retirement benefit expense allowed by the Commission reduces the utility's rate base so no return is earned on that amount. Id. (emphasis added). In order for United Water Florida's rates to be just, reasonable, compensatory, and not unfairly discriminatory, United Water Florida's rates must be adjusted to recover its deferred OPEB costs for 1994, 1995, 1996 and through May 1997 (i.e., the Unrecovered OPEB Costs).

21. By utilizing a fifteen year period and the interim adjustments requested below, United Water Florida will receive an appropriate rate base reduction over time, recover its OPEB costs in rates, earn a fair and reasonable return, and avoid a \$1,100,098 reduction in its earnings. It is NOT in the public interest for a utility company to suffer the substantial detriment of a 13.75 percent loss of net operating income and a loss of more than 130

basis points in its overall rate of return because of an accounting change as to the timing of recognition of costs. See Section 367.011(3), Florida Statutes (1995). It is in the public interest for United Water Florida to be given this rate adjustment so that its rates are just, fair, and reasonable. See Sections 367.081(2)(a) and 367.121 (1)(a), Florida Statutes (1995).

22. Pursuant to Rule 25-30.010(2)(g), FAC, United Water Florida has submitted a filing fee of \$4,500.00 (\$2,250.00 for water and \$2,250.00 for wastewater).

23. WHEREFORE, United Water Florida requests that the Commission:

- a. Approve United Water Florida's recovery of its Unrecovered OPEB Costs over a fifteen (15) year period at \$73,340 per year (\$26,402 for water and \$46,938 for wastewater);
- b. Use as the unfunded OPEB cost reduction to United Water Florida's rate base the amount of \$305,895, which is seven-twelfths of current year SFAS 106 unfunded OPEB costs and 1/15 of the unfunded portion of the Unrecovered OPEB Costs (\$110,122 for water rate base and \$ 195,773 for wastewater rate base); and
- c. Increase United Water Florida's rates to recognize the adjustments in subparagraphs (a) and (b) above

by adopting the tariff sheets submitted as Exhibits 5 and 6.

24. United Water Florida requests that the Commission address both aspects of this Petition, (i) recovery of the Unrecovered OPEB Costs in rates, and (ii) the use of the proposed rate base reduction, at this time. In the event that the Commission determines that it would be more appropriate to address the rate base reduction issue in United Water Florida's next rate case, United Water Florida will agree to the Commission's deferral of this item. However, to avoid the substantial charge to earnings which would be required by SFAS 106 and EITF 92-12, United Water Florida requests that the Commission proceed with the issue of the recovery of the Unrecovered OPEB Costs in its rates. This change would result in rate increases of only 2.86% and 2.75% for water and wastewater, respectively.

PETITION FOR VARIANCE FROM OR WAIVER OF
RULE 25-14.012, FLORIDA ADMINISTRATIVE CODE

In the event that the Commission determines that it can not fully grant the relief sought as to United Water Florida's rates or rate base without granting a variance from or waiver of Rule 25-14.012(2 & 3), FAC, United Water Florida hereby petitions for a variance from or waiver of Rule 25-14.012(2 & 3), FAC, with respect to the Unrecovered OPEB Costs and the unfunded portion of the Unrecovered OPEB Costs and states as follows:

25. The name, address, telephone number and facsimile number of United Water Florida are as follows:

United Water Florida Inc.
1400 Millcoe Road
P.O. Box 8004
Jacksonville, Florida 32239-8004
(904) 721-4600 Telephone Number
(904) 721-4680 Facsimile Number

26. The name, address, telephone number and facsimile number of Scott G. Schildberg and James L. Ade, the attorneys representing United Water Florida in this matter, are as follows:

Martin, Ade, Birchfield & Mickler, P.A.
One Independent Square, Suite 3000
Jacksonville, Florida 32202
(904) 354-2050 Telephone Number
(904) 354-5842 Facsimile Number

27. Rule 25-14.012(2 & 3), FAC, provides as follows:

(2) Each utility that offers postretirement benefits other than pensions shall account for the costs of such benefits in the manner required by Statement of Financial Accounting Standards No. 106 (December, 1990). Deferral accounting under Statement of Financial Accounting Standards No. 71 (Accounting for the Effects of Certain types of Regulation, December 1982) [sic] shall not be used to account for the costs of post retirement benefits other than pensions without prior Commission approval.

(3) Each utility's unfunded accumulated postretirement benefit obligation shall be treated as a reduction to rate base in rate proceedings. The amount that reduces rate base is limited to that portion of the liability associated with the cost methodology for post retirement benefits other than pensions.

28. According to the FAC, Rule 25-14.012 is implementing Sections 364.17 (telecommunications), 366.04 (electric and gas), and 367.121 (water and wastewater) of the Florida Statutes.

29. United Water Florida seeks the variance from or waiver of the requirements of Rule 25-14.012 (2 & 3), FAC, to the extent necessary that seven-twelfths of the current year (1997) unfunded SFAS 106 costs and 1/15 of the unfunded portion of the Unrecovered

OPEB Costs be treated as a reduction to rate base and that it recover its OPEB costs for such period in its rates. United Water Florida requests that only 1/15 of the unfunded portion of the Unrecovered OPEB Costs be treated as a reduction to rate base simultaneously with the recognition of the 1/15 of the Unrecovered OPEB Costs in United Water Florida's rates.

30. The variance or waiver sought by United Water Florida is temporary and will last only until the end of the fifteen year period.

31. The strict application of the rule to United Water Florida for the Unrecovered OPEB Costs and the unfunded portion of the Unrecovered OPEB Costs will impose a substantial hardship, violate the principles of fairness, and lead to unreasonable, unfair and unintended results.

- a. United Water Florida incurred such costs and liabilities and such costs and liabilities were prudent and necessary.
- b. "The utility rate payers pay the cost of the OPEBs and other expenses in their utility rates." Rule Approval Decision, 15 FALR at 1782. Utility companies are to recover OPEB costs in their rates. Because United Water Florida is not recovering its Unrecovered OPEB Costs in its rates, its customers are not paying for such OPEB costs and, therefore, the utility company's shareholders are paying for such OPEB costs.

- c. If not for the rule and SFAS 106, United Water Florida would recover its OPEB costs in the year of payment.
- d. The effect of imposing the rule will be the following: (i) reduce the rate base of United Water Florida by \$1,143,920 even though United Water Florida will not collect the related OPEB costs in its rates; (ii) not recognize payments to the VEBA in 1995 and 1996 by United Water Florida in the amount of \$247,022; (iii) not recognize future payments to be made to the VEBA from the currently unfunded portion of \$854,230; (iv) prevent United Water Florida from recovering its OPEB costs in its rates; and (v) reduce United Water Florida's current earnings by \$1,100,098; (vi) reduce United Water Florida's net operating income by 13.75 percent; and (vii) reduce United Water Florida's overall rate of return by more than 130 basis points.

32. The Commission adopted Rule 25-14.012, FAC, "under its statutory authority to set rates which allow regulated utilities sufficient revenue to recover prudently incurred costs of providing utility service and a fair rate of return on the utilities' rate base." Rule Approval Decision, 15 FALR at 1777.

33. Rule 25-14.012, FAC, was a policy decision made by the Commission "that accrual accounting under FAS 106 is the most

appropriate method to account for OPEB expenses." Rule Approval Decisions, 15 FALR at 1783. It was not a decision to reduce OPEB costs.

34. Section 367.121, Florida Statutes (1995), the underlying statute for Rule 25-14.012, FAC, provides in part that "... the Commission shall have power...[t]o prescribe fair and reasonable rates." Section 367.121 (1)(a), Florida Statutes (1995). Approving the requests of United Water Florida in the Petition will result in fair and reasonable rates. It is fair and reasonable for the company to recover its OPEB costs. It would be unfair and unreasonable to require United Water Florida to suffer a 13.75 percent loss in its net operating income and more than 130 basis point loss in its overall rate of return because of a timing change in accounting rules. Furthermore, United Water Florida already is following SFAS 106 and in compliance with the Commission's policy decision "that accrual accounting under FAS 106 is the most appropriate method to account for OPEB Expenses." Rule Approval Decision, 15 FALR at 1783. Granting the variance or waiver will result in United Water Florida not being penalized for following SFAS 106, which promotes the Commission's adoption of "a uniform system and classification of accounts for all utilities, which rules, among other things, shall establish adequate, fair, and reasonable depreciation rates and charges." See Section 367.121(1)(b), Florida Statutes (1995). The variance or waiver will achieve the purpose of the underlying statute, Section 367.121, Florida Statutes (1995).

35. WHEREFORE, United Water Florida requests that the Commission grant this request for a variance from or a waiver of Rule 25-14.012, FAC.

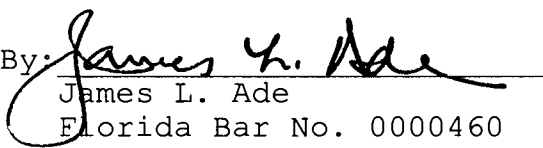
REQUEST FOR RELIEF

36. WHEREFORE, United Water Florida requests that the Commission grant this request for a limited proceeding and grant each of the requests made in this Petition.

Dated this 4th day of December, 1997.

Respectfully submitted,

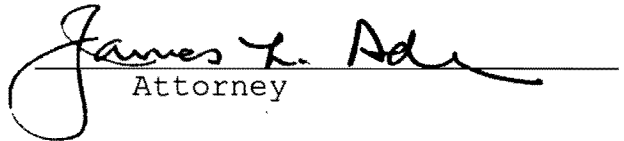
MARTIN, ADE, BIRCHFIELD &
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Florida Bar No. 0613990
3000 Independent Square
Jacksonville, FL 32202
Telephone: (904) 354-2050

Attorneys for United Water
Florida Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original and fifteen copies of the Petition for a Limited Proceeding Regarding Other Postretirement Employee Benefits and Petition for Variance from or Waiver of Rule 25-14.012, Florida Administrative Code, by United Water Florida Inc., has been furnished by Federal Express this 4th day of December, 1997, to Blanca Bayo, Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and a copy of the foregoing has been furnished to Rosanne Gervasi, Attorney for the Staff of the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850; Carroll Webb, Executive Director and General Counsel, Administrative Procedures Committee, The Holland Building, Room 120, Tallahassee, Florida 32399-1300; and Harold McLean, Esquire, Office of Public Counsel, c/o The Florida Legislature, 111 W. Madison Street, Room 812, Tallahassee, Florida 32399-1400, by U.S. Mail, this 4th day of December, 1997.


Attorney

United Water Florida Inc.
Schedule of Post Retirement Benefits Other Than Pension

Exhibit 1

Annual Expense Calculation

General Ledger Accounting Code Number
186.60 Deferred Post Retirement FSAS 106

<u>Year</u>	<u>Regulatory Asset</u>	<u>Amortization Period</u>	<u>Annual Cost</u>
1994	\$ 67,735	15 years	\$ 4,516
1995	398,303	15 years	26,554
1996	465,242	15 years	31,016
To 5/31/97	<u>168,818</u>	15 years	<u>11,255</u>
Total	<u>\$1,100,098***</u>		<u>\$ 73,340</u>

Calculation of Rate Base Impact:

General Ledger Accounting Code Number
236-60 Accrued Post Retirement FSAS 106

<u>Year</u>	<u>Unfunded Liability</u>	<u>Amortization Period</u>	<u>Rate Base Adjustment to Conform to Matching Principle</u>		
			<u>Annual Rate Base Reduction</u>		
			<u>Rate Base Reduction</u>	<u>Dock 960451-WS</u>	<u>Adjustment</u>
1994	\$ 67,735	15 years	\$ 4,516	-	\$ <4,516>
1995	398,303	15 years	26,554	\$ 351,512	324,958
1996	253,002	15 years	16,867	365,644	348,777
To 5/31/97	135,190	15 years	9,013	426,764	417,751 **
7/12's of 1997 Annual Cost			<u>248,946</u>		<u>(248,946) **</u>
Rate Base Reduction	<u>\$ 854,230 ***</u>		<u>\$ 305,895</u>	<u>\$ 1,143,920</u>	<u>\$ 838,025</u>

Note: The expense allowance and rate base adjustment are to be allocated 36% and 64% to Water and Wastewater, respectively.

** In conformance to the treatment of the operating expense the rate base reduction represents 7/12's of the original rate base deduction of \$426,764, and 1/15 of the five months unfunded liability in 1997.

*** Difference between the two general ledger accounts represents \$247,022 of VEBA payments and miscellaneous accounting adjustments of \$1,154.

UNITED WATER FLORIDA INC.
Calculation of Revenue Requirement

Exhibit 2

<u>Item</u>	<u>Amount</u>	<u>Revenue Requirement</u>	<u>Reference</u>
Rate Base Revision	\$ 838,025		Exhibit 1
Rate of Return	<u>0.0957</u>		Docket No. 960451-WS
Net Operating Income	\$ 80,199	80,199	
Income tax expense (37.63%)		25,483	
Operating expenses		73,340	
Revenue-bases taxes (4.5%)		8,487	
Uncollectible expense (.5773%)		<u>1,089</u>	
Total		<u>\$ 188,597</u>	
Water	36%	67,895	
Wastewater	64%	<u>120,702</u>	
		<u>\$ 188,597</u>	

<u>Operation</u>	<u>Revenues at Existing Rates</u>	<u>Requested Increase</u>	<u>Revenue Requirement</u>	<u>Percentage Increase</u>
Water	\$ 9,653,958	\$ 67,895	\$ 9,721,853	0.7033%
Wastewater	\$ 17,976,172	\$ 120,702	\$ 18,096,874	0.6715%

Note: Revenues at Existing Rates from Commission Order No. PSC-97-1146-FOF-WS.

United Water Florida Inc.
Abbreviated Income Statement

Exhibit 3

<u>Description</u>	<u>Water</u>			<u>Wastewater</u>		
	<u>Order No.</u> <u>PSC-97-1146-FOF-WS</u>	<u>Adjustment</u>	<u>Revenue Requirement</u>	<u>Order No.</u> <u>PSC-97-1146-FOF-WS</u>	<u>Adjustment</u>	<u>Revenue Requirement</u>
Operating Revenues	\$ 9,653,958	\$ 67,895	\$ 9,721,853	\$ 17,976,172	\$ 120,702	\$18,096,874
Operating Expenses	<u>6,084,918</u>	<u>29,849</u>	<u>6,114,767</u>	<u>12,065,584</u>	<u>53,067</u>	<u>12,118,651</u>
Operating Income						
Before Income Taxes	\$ 3,569,040	\$ 38,046	\$ 3,607,086	\$ 5,910,588	\$ 67,635	\$ 5,978,223
Income Taxes	<u>962,481</u>	<u>9,174</u>	<u>971,655</u>	<u>1,191,211</u>	<u>16,309</u>	<u>1,207,520</u>
Net Operating Income	<u>\$ 2,606,559</u>	<u>\$ 28,872</u>	<u>\$ 2,635,431</u>	<u>\$ 4,719,377</u>	<u>\$ 51,327</u>	<u>\$ 4,770,704</u>
Rate Base	\$ 27,236,786	\$ 301,689	\$27,538,475	\$ 49,314,287	\$ 536,336	\$49,850,623
Rate of Return	9.57%	9.57%	9.57%	9.57%	9.57%	9.57%

Note: Operating expenses include the 15-year amortization of \$73,340 plus the revenue-based taxes (4.5%) (\$8,487) and the uncollectible expense of .5773% (\$1,089). Rate base increase of \$838,025 allocated between Water (36%) and Wastewater (64%) as well as the operating expenses and income taxes.

United Water Florida Inc.
Abbreviated Income Statement
If Company's Request is Not Granted

Exhibit 4

	<u>WATER</u>			<u>WASTEWATER</u>		
Description	Order No. <u>PSC-97-1146-FOF-WS</u>	<u>Adjustment</u>	Results as <u>Adjusted</u>	Order No. PSC <u>97-1146-FOF-WS</u>	<u>Adjustment</u>	Results As <u>Adjusted</u>
Operating Revenues	\$ 9,653,958		\$ 9,653,958	\$ 17,976,172		\$ 17,976,172
Operating Expenses	<u>6,084,918</u>	<u>396,035</u>	<u>6,480,953</u>	<u>12,065,584</u>	<u>704,063</u>	<u>12,769,647</u>
Operating Income						
Before Income Taxes	\$ 3,569,040	\$(396,035)	\$ 3,173,005	\$ 5,910,588	\$(704,063)	\$ 5,206,525
Income Taxes	<u>962,481</u>	<u>(33,307)</u>	<u>929,174</u>	<u>1,191,211</u>	<u>(59,213)</u>	<u>1,131,998</u>
Net Operating Income	<u>\$ 2,606,559</u>	<u>\$(362,728)</u>	<u>\$ 2,243,831</u>	<u>\$ 4,719,377</u>	<u>\$(644,850)</u>	<u>\$ 4,074,527</u>
Rate Base	\$ 27,236,786		\$27,236,786	\$ 49,314,287		\$49,314,287
Rate of Return	9.57%		8.24%	9.57%		8.26%

Income tax expense shown in Adjustment Column represents a tax deduction only for the funded portion of the OPEB expense (\$1,100,098 - \$ 854,230) = \$245,868 * 37.63%, allocated 36% and 64% to Water and Wastewater, respectively.

Income Tax Rate reflects a 34% Federal rate and a 5.5% State rate.

United Water Florida would suffer a thirteen and three-fourths percent loss in net operating income. $[(\$362,728 + \$ 644,850) \div (\$2,606,559 + \$4,719,377) = 13.75\%]$

WATER TARIFF

RATE SCHEDULE GW (1)
SCHEDULE OF RATES FOR GENERAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service to all customers in the territory served by United Water Florida Inc., for which no other schedule applies, including Metered Commercial, Industrial, Municipal, Multiple Dwelling (Apartments) not individually metered and other Non-Residential Service customers.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$1.37
All usage, per 100 cubic feet	\$1.02

BASE FACILITY CHARGES:

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 8.13
3/4"	11.77
1"	20.88
1½"	46.97
2"	83.50
3"	187.95
4"	334.02
6"	751.65
8"	1,335.97
10"	2,088.11
12"	3,006.56

Type of Filing: 1997 Limited Proceeding
 (Continued to Sheet No. 16.1)

Effective: For Service Rendered On
 or After _____

Munipalli Sambamurthi
 Vice President

RATE SCHEDULE RW (1)

SCHEDULE OF RATES FOR RESIDENTIAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service for all purposes in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: QUARTERLY

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Quarter</u>
All usage, per 1,000 gallons	\$ 1.37
All usage, per 100 cubic feet	\$ 1.02

BASE FACILITY CHARGE:

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 17.51
3/4"	25.33
1"	44.93
1½"	101.11
2"	179.75

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet 17.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE FW (1)

FIRE HYDRANTS, FIRE LINES AND SPRINKLER SYSTEMS

AVAILABILITY:

In the territory served by United Water Florida Inc.

APPLICABILITY:

For private fire lines to customers' facilities in the territory served by United Water Florida Inc.

LIMITATIONS:

This schedule is not applicable to municipal fire hydrants. Subject to all the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: MONTHLY

RATES:

Private Fire Protection

<u>Size of Service Connection</u>	<u>Monthly Rate Per Connection</u>
2"	\$ 6.96
3"	15.67
4"	27.86
6"	62.65
8"	111.34
10"	174.03
12"	250.57

There will be no additional charge for meter heads, hose connections, or hydrants supplied from the service line.

The minimum charge for service under this schedule shall be for a period of one year based on the number of connections at the aforementioned rates.

Type of Filing: 1997 Limited Proceeding
(Continued To Sheet No. 19.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE GS (1)
SCHEDULE OF RATES FOR GENERAL WASTEWATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For wastewater service to all customers in the territory of United Water Florida Inc., for which no other schedule applies, including Metered Commercial, Industrial, Municipal, Multiple Dwelling (Apartments) not individually metered and other Non-Residential Service Customers.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$ 4.03
All usage, per 100 cubic feet	\$ 3.02

For those customers who are unmetered, a flat rate charge of \$38.00 shall be billed.

Base Facility Charge

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 12.99
3/4"	18.79
1"	33.34
1½"	75.05
2"	133.43
3"	300.32
4"	533.77
6"	1,201.15
8"	2,134.93

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 17.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

(Continued From Sheet No. 17.1)

RATE SCHEDULE GS (2)

SCHEDULE OF RATES FOR GENERAL WASTEWATER SERVICE

AVAILABILITY:

Available to Jacksonville University, a Non-Residential Customer of United Water Florida Inc.

APPLICABILITY:

For wastewater service to Jacksonville University, for which no other schedule applies.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$ 4.15
All usage, per 100 cubic feet	\$ 3.11

Base Facility Charge

<u>Base Facility Charge</u>	
<u>Meter Size</u>	<u>Per Month</u>
3"	\$ 300.32
4"	\$ 533.77
6"	\$1,201.15

Rate established for Jacksonville University based on wastewater flows.

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 17.3)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE RS (1)
SCHEDULE OF RATES FOR RESIDENTIAL WASTEWATER COLLECTION SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For wastewater service in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Quarterly

RATES:

<u>Quantity Rates</u>	<u>Meter Per Quarter</u>
First 27,000 gallons - per 1,000 gallons	\$ 3.36
First 3,600 cubic feet - per 100 cubic feet	\$ 2.52
The maximum gallonage charge per residential customer shall be no more than 27,000 gallons or 3,600 cubic feet per quarter.	

<u>Base Facility Charge</u>	<u>Net Per Quarter</u>
Per single family residential structure.....	\$ 34.22
The minimum billing under this tariff sheet shall be	\$ 34.22
The maximum billing under this tariff sheet shall be	\$124.94

For those customers who are unmetered a flat rate charge of \$109.28 per quarter shall be billed.

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 18.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

WATER TARIFF

RATE SCHEDULE GW (1)
SCHEDULE OF RATES FOR GENERAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service to all customers in the territory served by United Water Florida Inc., for which no other schedule applies, including Metered Commercial, Industrial, Municipal, Multiple Dwelling (Apartments) not individually metered and other Non-Residential Service customers.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$1.37
All usage, per 100 cubic feet	\$1.02

BASE FACILITY CHARGES:

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 8.13
3/4"	11.77
1"	20.88
1½"	46.97
2"	83.50
3"	187.95
4"	334.02
6"	751.65
8"	1,335.97
10"	2,088.11
12"	3,006.56

Type of Filing: 1997 Limited Proceeding
 (Continued to Sheet No. 16.1)

Effective: For Service Rendered On
 or After _____

Munipalli Sambamurthi
 Vice President

RATE SCHEDULE RW (1)

SCHEDULE OF RATES FOR RESIDENTIAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service for all purposes in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: QUARTERLY

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Quarter</u>
All usage, per 1,000 gallons	\$ 1.37
All usage, per 100 cubic feet	\$ 1.02

BASE FACILITY CHARGE:

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 17.51
3/4"	25.33
1"	44.93
1½"	101.11
2"	179.75

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet 17.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE FW (1)

FIRE HYDRANTS, FIRE LINES AND SPRINKLER SYSTEMS

AVAILABILITY:

In the territory served by United Water Florida Inc.

APPLICABILITY:

For private fire lines to customers' facilities in the territory served by United Water Florida Inc.

LIMITATIONS:

This schedule is not applicable to municipal fire hydrants. Subject to all the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: MONTHLY

RATES:

Private Fire Protection

<u>Size of Service Connection</u>	<u>Monthly Rate Per Connection</u>
2"	\$ 6.96
3"	15.67
4"	27.86
6"	62.65
8"	111.34
10"	174.03
12"	250.57

There will be no additional charge for meter heads, hose connections, or hydrants supplied from the service line.

The minimum charge for service under this schedule shall be for a period of one year based on the number of connections at the aforementioned rates.

Type of Filing: 1997 Limited Proceeding
(Continued To Sheet No. 19.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE GW (1)
SCHEDULE OF RATES FOR GENERAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service to all customers in the territory served by United Water Florida Inc., for which no other schedule applies, including Metered Commercial, Industrial, Municipal, Multiple Dwelling (Apartments) not individually metered and other Non-Residential Service customers.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$1.37
All usage, per 100 cubic feet	\$1.02

BASE FACILITY CHARGES:

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 8.13
3/4"	11.77
1"	20.88
1½"	46.97
2"	83.50
3"	187.95
4"	334.02
6"	751.65
8"	1,335.97
10"	2,088.11
12"	3,006.56

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 16.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE RW (1)

SCHEDULE OF RATES FOR RESIDENTIAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service for all purposes in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: QUARTERLY

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Quarter</u>
All usage, per 1,000 gallons	\$ 1.37
All usage, per 100 cubic feet	\$ 1.02

BASE FACILITY CHARGE:

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 17.51
3/4"	25.33
1"	44.93
1½"	101.11
2"	179.75

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet 17.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE FW (1)

FIRE HYDRANTS, FIRE LINES AND SPRINKLER SYSTEMS

AVAILABILITY:

In the territory served by United Water Florida Inc.

APPLICABILITY:

For private fire lines to customers' facilities in the territory served by United Water Florida Inc.

LIMITATIONS:

This schedule is not applicable to municipal fire hydrants. Subject to all the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: MONTHLY

RATES:

Private Fire Protection

<u>Size of Service Connection</u>	<u>Monthly Rate Per Connection</u>
2"	\$ 6.96
3"	15.67
4"	27.86
6"	62.65
8"	111.34
10"	174.03
12"	250.57

There will be no additional charge for meter heads, hose connections, or hydrants supplied from the service line.

The minimum charge for service under this schedule shall be for a period of one year based on the number of connections at the aforementioned rates.

Type of Filing: 1997 Limited Proceeding
(Continued To Sheet No. 19.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

WATER TARIFF

RATE SCHEDULE GW (1)
SCHEDULE OF RATES FOR GENERAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service to all customers in the territory served by United Water Florida Inc., for which no other schedule applies, including Metered Commercial, Industrial, Municipal, Multiple Dwelling (Apartments) not individually metered and other Non-Residential Service customers.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$1.37
All usage, per 100 cubic feet	\$1.02

BASE FACILITY CHARGES:

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 8.13
3/4"	11.77
1"	20.88
1½"	46.97
2"	83.50
3"	187.95
4"	334.02
6"	751.65
8"	1,335.97
10"	2,088.11
12"	3,006.56

Type of Filing: 1997 Limited Proceeding
 (Continued to Sheet No. 16.1)

Effective: For Service Rendered On
 or After _____

Munipalli Sambamurthi
 Vice President

RATE SCHEDULE RW (1)

SCHEDULE OF RATES FOR RESIDENTIAL METERED WATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For water service for all purposes in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

The service required on the premises by the customer shall be supplied through one meter for each independent plumbing system. Stand-by or re-sale service not permitted hereunder. Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: QUARTERLY

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Quarter</u>
All usage, per 1,000 gallons	\$ 1.37
All usage, per 100 cubic feet	\$ 1.02

BASE FACILITY CHARGE:

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 17.51
3/4"	25.33
1"	44.93
1½"	101.11
2"	179.75

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet 17.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE FW (1)

FIRE HYDRANTS, FIRE LINES AND SPRINKLER SYSTEMS

AVAILABILITY:

In the territory served by United Water Florida Inc.

APPLICABILITY:

For private fire lines to customers' facilities in the territory served by United Water Florida Inc.

LIMITATIONS:

This schedule is not applicable to municipal fire hydrants. Subject to all the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: MONTHLY

RATES:

Private Fire Protection

<u>Size of Service Connection</u>	<u>Monthly Rate Per Connection</u>
2"	\$ 6.96
3"	15.67
4"	27.86
6"	62.65
8"	111.34
10"	174.03
12"	250.57

There will be no additional charge for meter heads, hose connections, or hydrants supplied from the service line.

The minimum charge for service under this schedule shall be for a period of one year based on the number of connections at the aforementioned rates.

Type of Filing: 1997 Limited Proceeding
(Continued To Sheet No. 19.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE GS (1)
SCHEDULE OF RATES FOR GENERAL WASTEWATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For wastewater service to all customers in the territory of United Water Florida Inc., for which no other schedule applies, including Metered Commercial, Industrial, Municipal, Multiple Dwelling (Apartments) not individually metered and other Non-Residential Service Customers.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$ 4.03
All usage, per 100 cubic feet	\$ 3.02

For those customers who are unmetered, a flat rate charge of \$38.00 shall be billed.

Base Facility Charge

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 12.99
3/4"	18.79
1"	33.34
1½"	75.05
2"	133.43
3"	300.32
4"	533.77
6"	1,201.15
8"	2,134.93

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 17.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

(Continued From Sheet No. 17.1)

RATE SCHEDULE GS (2)

SCHEDULE OF RATES FOR GENERAL WASTEWATER SERVICE

AVAILABILITY:

Available to Jacksonville University, a Non-Residential Customer of United Water Florida Inc.

APPLICABILITY:

For wastewater service to Jacksonville University, for which no other schedule applies.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$ 4.15
All usage, per 100 cubic feet	\$ 3.11

Base Facility Charge

<u>Base Facility Charge</u>	
<u>Meter Size</u>	<u>Per Month</u>
3"	\$ 300.32
4"	\$ 533.77
6"	\$1,201.15

Rate established for Jacksonville University based on wastewater flows.

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 17.3)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE RS (1)
SCHEDULE OF RATES FOR RESIDENTIAL WASTEWATER COLLECTION SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For wastewater service in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Quarterly

RATES:

<u>Quantity Rates</u>	<u>Meter Per Quarter</u>
First 27,000 gallons - per 1,000 gallons	\$ 3.36
First 3,600 cubic feet - per 100 cubic feet	\$ 2.52

The maximum gallonage charge per residential customer shall be no more than 27,000 gallons or 3,600 cubic feet per quarter.

<u>Base Facility Charge</u>	<u>Net Per Quarter</u>
Per single family residential structure.....	\$ 34.22
The minimum billing under this tariff sheet shall be	\$ 34.22
The maximum billing under this tariff sheet shall be	\$124.94

For those customers who are unmetered a flat rate charge of \$109.28 per quarter shall be billed.

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 18.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE GS (1)
SCHEDULE OF RATES FOR GENERAL WASTEWATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For wastewater service to all customers in the territory of United Water Florida Inc., for which no other schedule applies, including Metered Commercial, Industrial, Municipal, Multiple Dwelling (Apartments) not individually metered and other Non-Residential Service Customers.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$ 4.03
All usage, per 100 cubic feet	\$ 3.02

For those customers who are unmetered, a flat rate charge of \$38.00 shall be billed.

Base Facility Charge

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 12.99
3/4"	18.79
1"	33.34
1½"	75.05
2"	133.43
3"	300.32
4"	533.77
6"	1,201.15
8"	2,134.93

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 17.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

(Continued From Sheet No. 17.1)

RATE SCHEDULE GS (2)

SCHEDULE OF RATES FOR GENERAL WASTEWATER SERVICE

AVAILABILITY:

Available to Jacksonville University, a Non-Residential Customer of United Water Florida Inc.

APPLICABILITY:

For wastewater service to Jacksonville University, for which no other schedule applies.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$ 4.15
All usage, per 100 cubic feet	\$ 3.11

Base Facility Charge

<u>Base Facility Charge</u>	
<u>Meter Size</u>	<u>Per Month</u>
3"	\$ 300.32
4"	\$ 533.77
6"	\$1,201.15

Rate established for Jacksonville University based on wastewater flows.

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 17.3)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE RS (1)
SCHEDULE OF RATES FOR RESIDENTIAL WASTEWATER COLLECTION SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For wastewater service in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Quarterly

RATES:

<u>Quantity Rates</u>	<u>Meter Per Quarter</u>
First 27,000 gallons - per 1,000 gallons	\$ 3.36
First 3,600 cubic feet - per 100 cubic feet	\$ 2.52

The maximum gallonage charge per residential customer shall be no more than 27,000 gallons or 3,600 cubic feet per quarter.

<u>Base Facility Charge</u>	<u>Net Per Quarter</u>
Per single family residential structure.....	\$ 34.22
The minimum billing under this tariff sheet shall be	\$ 34.22
The maximum billing under this tariff sheet shall be	\$124.94

For those customers who are unmetered a flat rate charge of \$109.28 per quarter shall be billed.

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 18.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE GS (1)
SCHEDULE OF RATES FOR GENERAL WASTEWATER SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For wastewater service to all customers in the territory of United Water Florida Inc., for which no other schedule applies, including Metered Commercial, Industrial, Municipal, Multiple Dwelling (Apartments) not individually metered and other Non-Residential Service Customers.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$ 4.03
All usage, per 100 cubic feet	\$ 3.02

For those customers who are unmetered, a flat rate charge of \$38.00 shall be billed.

Base Facility Charge

<u>Meter Size</u>	<u>Per Month</u>
5/8"	\$ 12.99
3/4"	18.79
1"	33.34
1½"	75.05
2"	133.43
3"	300.32
4"	533.77
6"	1,201.15
8"	2,134.93

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 17.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

(Continued From Sheet No. 17.1)

RATE SCHEDULE GS (2)

SCHEDULE OF RATES FOR GENERAL WASTEWATER SERVICE

AVAILABILITY:

Available to Jacksonville University, a Non-Residential Customer of United Water Florida Inc.

APPLICABILITY:

For wastewater service to Jacksonville University, for which no other schedule applies.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Monthly

RATES:

<u>Quantity Rates</u>	<u>Per Meter Per Month</u>
All usage, per 1,000 gallons	\$ 4.15
All usage, per 100 cubic feet	\$ 3.11

Base Facility Charge

Base Facility Charge	
<u>Meter Size</u>	<u>Per Month</u>
3"	\$ 300.32
4"	\$ 533.77
6"	\$1,201.15

Rate established for Jacksonville University based on wastewater flows.

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 17.3)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

RATE SCHEDULE RS (1)
SCHEDULE OF RATES FOR RESIDENTIAL WASTEWATER COLLECTION SERVICE

AVAILABILITY:

Available in the territory served by United Water Florida Inc.

APPLICABILITY:

For wastewater service in private residences and individually metered apartment units in the territory served by United Water Florida Inc.

LIMITATIONS:

Subject to all of the Rules and Regulations of this Tariff and the General Rules and Regulations of the Commission.

BILLING PERIOD: Quarterly

RATES:

<u>Quantity Rates</u>	<u>Meter Per Quarter</u>
First 27,000 gallons - per 1,000 gallons	\$ 3.36
First 3,600 cubic feet - per 100 cubic feet	\$ 2.52

The maximum gallonage charge per residential customer shall be no more than 27,000 gallons or 3,600 cubic feet per quarter.

<u>Base Facility Charge</u>	<u>Net Per Quarter</u>
Per single family residential structure.....	\$ 34.22
The minimum billing under this tariff sheet shall be	\$ 34.22
The maximum billing under this tariff sheet shall be	\$124.94

For those customers who are unmetered a flat rate charge of \$109.28 per quarter shall be billed.

Type of Filing: 1997 Limited Proceeding
(Continued to Sheet No. 18.1)

Effective: For Service Rendered On
or After _____

Munipalli Sambamurthi
Vice President

MARTIN, ADE, BIRCHFIELD & MICKLER, P.A.

ONE INDEPENDENT DRIVE - SUITE 3000
JACKSONVILLE, FLORIDA 32202

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STEPHEN H. DURANT
T. WILLIAM GLOCKER
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RALPH H. MARTIN
ROBERT O. MICKLER
JOHN D. MILTON, JR.
DANIEL B. NUNN, JR.
SCOTT G. SCHILDBERG
MICHAEL D. WHALEN
GARY L. WILKINSON
L. PETER JOHNSON (1942-1988)

December 4, 1997

FEDERAL EXPRESS

DEPOSIT DATE
D 6 6 8 DEC 0 8 1997

Ms. Blanca Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

971596-WS

RECEIVED
FLORIDA PUBLIC
SERVICE COMMISSION
97 DEC -5 PM 1:54
MAIL ROOM

Re: Petition for a Limited Proceeding Regarding Other Postretirement Employee Benefits and Petition for Variance from or Waiver of Rule 25-14.012, Florida Administrative Code, by United Water Florida Inc.

Dear Ms. Bayo:

In connection with the above-referenced matter, please find the following:

1. An original and fifteen copies of a Petition for a Limited Proceeding Regarding Other Postretirement Employee Benefits and Petition for Variance from or Waiver of Rule 25-14.012, Florida Administrative Code, by United Water Florida Inc.
2. A WordPerfect 6.1 formatted, high double density disk which contains a copy of the Petition.
3. An original and two copies of proposed tariff sheets as follows:

United Water

United Water Florida
Managers Fund
P.O. Box 8004
Jacksonville, Florida 32239

No. 135730

Date	Check No.	Vendor No.
12/04/97	135730	

Protected Amount	Check Amount
****4,500.00	****4,500.00

Pay to the Order of

Florida Public Service Commission

Not valid after 90 days

DOCUMENT NUMBER-DATE

12519 DEC-85

2 signatures required for amounts over \$2000.00

Barnett Bank - Jacksonville, Florida 32211

135730

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