

DIXIE GROVES ESTATES, INC.
P.O. BOX 845
NEW PORT RICHEY, FL 34656-0845
813-841-6500

Director of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32301-0870

980726-WW

06-08-1998

Dear Public Service Commission,

Enclosed is our application for a Staff Assisted Rate Case and to ask for miscellaneous service charges to be added to our tariff.

We request that an emergency priority be given to our rate case. This utility is under notice by the D.E.P. that we need to implement or make repairs to several items. If we cannot have a temporary or interim rate implemented, this utility may need to be abandoned. We have recently taken the utility operations over and have been attempting to gain control of its operating expenses. As you can see from the application, the utility is practically insolvent.

Please contact us immediately to discuss implementing an emergency interim rate adjustment and the processing of the rate case.

Sincerely,

Matthew A. Potter - Treasurer
Matthew A. Potter, CPA

CC. Division of water + waste water

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~~06159~~ JUN-98

*PSC RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A
STAFF ASSISTED RATE CASE

I. General Data

- A. Name of utility Dixie Groves Estates, Inc.
 B. Address P.O. Box 845, New Port Richey, FL 34656-0845
-
1. Telephone Nos. (813) 848-2451 or 813-841-6500
 2. County Pasco Nearest city New Port Richey
 3. General area served Dixie Groves Subdivision

C. Authority:

1. Water Certificate No. WU 056 Date received 1957
 2. Sewer Certificate No. — Date received —
 3. Date utility started operations: Water 1957 Sewer —
- D. How system was acquired Built - Family Transfer of Ownership
 If utility was purchased, give date 1-1-97 Amount Paid 7,000
1. Name of Seller Frank W. Potter - Majority Owner
 2. Was seller affiliated with present owners? Yes. (Father - Grandfather)
 3. Did you purchase: Stock or assets only

- E. Type of legal entity: Corporation, Partnership or Sole
 Proprietorship Corporation

F. Ownership & Officers:

	Name	Title	Percent Ownership
1.	<u>Judson F. Potter</u>	<u>Pres. / V.P.</u>	<u>50%</u>
2.			
3.	<u>Matthew A. Potter, CPA</u>	<u>Sec. / Treas.</u>	<u>50%</u>
4.			

PSC/WAS 2 (Rev. 11/86)

G. List of Associated Companies and Addresses:

1. _____
 2. _____
 3. _____

- H. If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es) _____

DOCUMENT NUMBER - DATE

06159 JUN-98

Matthew A. Potter, CPA
5940 Main St.
New Port Richey, FL 34652
813-841-6500

II. Accounting Data

A. Outside Accountant

1. Name Matthew A. Potter, CPA
2. Firm _____
3. Address 5940 Main St., New Port Richey, FL 34652
4. Telephone (813) 841-6500

B. Individual to contact on accounting matters:

1. Name Matthew A. Potter, CPA
2. Telephone (813) 841-6500

C. Location of books and records with Mr. Matthew A. Potter, CPA

D. Have you filed an Annual Report with the Commission? Yes

Date last filed 4-1-98

E. Has your latest semiannual regulatory assessment fee payment been made (January 30 or July 30 whichever is applicable)? Yes

F. Basic Rate Base Data (Most recent two years)

1. Water	1997	1996
Cost of Plant In Service:	\$ <u>57,576</u>	\$ <u>55,344</u>
Less Accumulated Depreciation:	<u>48,730</u>	<u>46,585</u>
Less Contributed Plant:	<u>—</u>	<u>—</u>
Net Owner's Investment:	\$ <u>8,846</u>	\$ <u>8,759</u>

2. Sewer

Cost of Plant In Service:
 Less Accumulated Depreciation:
 Less Contributed Plant:
 Net Owner's Investment:

	19__	19__
\$		
\$		

G. Basic Income Statement (Most recent two years):

1. Water

Revenues (By Class):

a. Residential
 b. Commercial
 c. _____
 Total Operating Revenues:

	1997	1996
\$	<u>24,248</u>	<u>25,337</u>
	<u>181</u>	<u> </u>
\$	<u>24,429</u>	<u>25,337</u>

Less Expenses:

a. Salaries & Wages - Employees
 b. Salaries & Wages - Officers, Directors, & Majority Stockholders
 c. Employee Pensions & Benefits
 d. Purchased Water
 e. Purchased Power
 f. Fuel for Power Production
 g. Chemicals
 h. Materials & Supplies
 i. Contractual Services
 j. Rents
 k. Transportation Expenses
 l. Insurance Expense
 m. Regulatory Commission Expense
 n. Bad Debt Expense
 o. Miscellaneous Expense
 p. Depreciation Expense
 q. Property Taxes
 r. Other Taxes
 s. Income Taxes
 Operating Income (Loss)

\$	<u>14,400</u>	<u>9,375</u>
	<u>1,200</u>	<u>1,200</u>
	<u>2,340</u>	<u> </u>
	<u>1,929</u>	<u>1,848</u>
	<u>530</u>	<u>711</u>
	<u>1,572</u>	<u>876</u>
	<u>24,993</u>	<u>13,881</u>
	<u>600</u>	<u>600</u>
	<u>1,567</u>	<u>1,264</u>
	<u>152</u>	<u> </u>
	<u>880</u>	<u>357</u>
	<u>2,145</u>	<u>2,515</u>
	<u>1,377</u>	<u>1,688</u>
	<u>2,977</u>	<u>1,539</u>
	<u> </u>	<u> </u>
\$	<u>(32,233)</u>	<u>(10,517)</u>

2. Sewer

	19__	19__
Revenues (By Class):		
a. _____	\$ _____	\$ _____
b. _____	_____	_____
c. _____	_____	_____
Total Operating Revenues:	\$ _____	\$ _____
Less Expenses:		
a. Salaries & Wages - Employees	\$ _____	\$ _____
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	_____	_____
c. Employee Pensions & Benefits	_____	_____
d. Purchased Sewage Treatment	_____	_____
e. Sludge Removal Expense	_____	_____
f. Purchased Power	_____	_____
g. Fuel for Power Production	_____	_____
h. Chemicals	_____	_____
i. Materials & Supplies	_____	_____
j. Contractual Services	_____	_____
k. Rents	_____	_____
l. Transportation Expenses	_____	_____
m. Insurance Expense	_____	_____
n. Regulatory Commission Expense	_____	_____
o. Bad Debt Expense	_____	_____
p. Miscellaneous Expense	_____	_____
q. Depreciation Expense	_____	_____
r. Property Taxes	_____	_____
s. Other Taxes	_____	_____
t. Income Taxes	_____	_____
Operating Income (Loss)	\$ _____	\$ _____

H. Outstanding Debt:

	Date Borrowed	Balance Due	Interest Rate	Expiration Date
1. <u>H₂O Utility Service</u>	<u>Various</u>	<u>Approx. \$15,000</u>	<u>18%</u>	<u>—</u>
2. <u>Frank Potter</u>	<u>Various</u>	<u>8,970</u>	<u>9%</u>	<u>—</u>
3. <u>Judson Potter</u>	<u>Various</u>	<u>11,784</u>	<u>12.5%</u>	<u>—</u>
4. <u>Matthew Potter</u>	<u>Various</u>	<u>1,405</u>	<u>8%</u>	<u>—</u>

I. Indicate Type of Tax Return Filed:

_____	Form 1120 - Corporation
<u>X</u>	Form 1120S - Subchapter S Corporation
_____	Form 1065 - Partnership
_____	Form 1040 - Schedule C - Individual (Proprietorship)

III: Engineering Data

A. Outside Engineering Consultant:

1. Name H₂O Utility Services, Inc.
2. Firm Gary Deremer
3. Address 1817 U.S Hwy 19, Holiday, FL 34691
4. Telephone (813) 938-6463

B. Individual to contact on engineering matters:

1. Name Gary Deremer
2. Telephone (813) 938-6463

C. Is the utility under citation by the Department of Environmental Regulation (DER) or county health department? If yes, explain. NO

D. List any known service deficiencies and steps taken to remedy problems. _____

E. Name of plant operator(s) and DER operator certificate number(s) held. H₂O Utility Services, Inc. 813-938-6463

F. Is the utility serving customers outside of its certificated area? NO If yes, explain. _____

G. Wastewater:

1. Gallons per day capacity of treatment facilities existing _____
_____ under construction _____ proposed _____
2. Type and make of present treatment facilities _____
3. Approximate average daily flow of treatment plant effluent _____
4. Approximate length of sewer mains:
Size (diameter) _____
Linear feet _____
5. Number of manholes _____
6. Number of liftstations _____
7. How do you measure treatment plant effluent? _____
8. Is the treatment plant effluent chlorinated? _____ If yes, what is the normal dosage rate? _____

9. Tap in fees - Sewer \$ _____
10. Service availability fees - Sewer \$ _____
11. Note DER Treatment Plant Certificate Number and date of expiration: Number _____ Expiration Date _____
12. Total gallons treated during most recent twelve months _____
13. Sewage treatment purchased during most recent twelve months _____

H. Water

1. Gallons per day capacity of treatment facilities existing 763,100
_____ under construction _____ proposed _____
2. Type of treatment Liquid Chlorine
3. Approximate average daily flow of treated water 68,076
4. Source of water supply Wells
5. Types of chemicals used and their normal dosage rates Chlorine and Aquamag.
6. Number of wells in service 2 Total capacity in gallons per minute (gpm) 340

Diameter/Depth	<u>6 1/2 5</u>	<u>6 1/2 71</u>	_____
Motor horsepower	<u>10HP</u>	<u>10HP</u>	_____
Pump capacity (gpm)	<u>175</u>	<u>205</u>	_____
7. Reservoirs and/or hydropneumatic tanks:

Description	<u>Pneumatic</u>	<u>Pneumatic</u>	_____
Capacity	<u>1000</u>	<u>1000</u>	_____
8. High service pumping:

Motor horsepower	<u>7.5</u>	<u>10</u>	_____
Pump capacity (gpm)	<u>175</u>	<u>205</u>	_____
9. How do you measure treatment plant production? Yes
10. Approximate feet of water mains:

Size (diameter)	<u>4"</u>	<u>3"</u>	<u>2"</u>	<u>1 1/2"</u>
Linear feet	<u>2880</u>	<u>210</u>	<u>9970</u>	<u>350</u>

C. Number of Customers (Most recent two years):

1. Water Metered

19⁷⁷

19⁷⁶

- a. Residential
- b. General Service
- c. Special Contract
- d. Other - specify

335

335

2. Water Unmetered

19__

19__

- a. Residential
- b. General Service
- c. Special Contract
- d. Other - specify

~~_____

_____~~

~~_____

_____~~

3. Sewer

19__

19__

- a. Residential
- b. General Service
- c. Special Contract
- d. Other - specify

~~_____

_____~~

~~_____

_____~~

V Affirmation

I, Matthew A. Potter the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge and belief.

Signed Matthew A. Potter - Treas.
Title Treasurer 6-8-78

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.