

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Water)
Oak Utilities, Co. Inc. for)
limited proceeding increase)
and restructuring of water rates.)
_____)

MAR 17 1980
Docket No. 990243-WIU
RECORDS AND REPORTING

APPLICATION FOR LIMITED PROCEEDING
INCREASE IN WATER RATES

Applicant, Water Oak Utilities Co., Inc. (hereinafter "Water Oak", "Applicant" or "Utility"), pursuant to Sections 367.0822 and 367.081(1) (a) and (3), Florida Statutes, files this Application for limited proceeding increase in water rates for service provided to the Utility's system in Lake County, Florida, based upon the costs associated with the St. Johns River Management District's ("SJRM") required institution of conservation rate structure, and to recover the cost of new hydropneumatic tanks necessitated by DEP requirements. The change in billing method will increase costs slightly but is in the best interests of the Utility's customers. Applicant is a Class C water and wastewater utility as defined by Rule 25-30.115(1), Florida Administrative Code ("F.A.C."). Its 1998 historic revenues totalled \$77,270 for water service. In support of this request for a limited proceeding rate increase, the Applicant states as follows:

Conservation Rate Structure

(1) It was recently determined, by SWRMD during the water use permit renewal process, that Water Oak has excessive water usage on a per capita basis within its certificated service territory.

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FPSC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

02671 MAR-28

FPSC-RECORDS/REPORTING

(2) As part of overall conservation measures required during negotiations of the conditions for issuance of the new water use permit, the SJRMD demanded that Water Oak revise its rate structure so as to implement a conservation oriented rate structure. The Utility has metered many previously unmetered customers, has accumulated data, and is now prepared to implement a conservation rate structure upon PSC approval.

New Hydropneumatic Tanks

(3) The Utility also recently found itself, during inspection of its facilities, to be in need of the addition of two new hydropneumatic tanks.

(4) The one existing 20,000 gallon hydropneumatic tank which the Utility has utilized since its inception, sprung a leak. The Utility's consulting engineer inspected the tank and found that the tank was in such a state of disrepair and so old that it required replacement. In addition, the engineer noted that under current DEP Rules (Chapter 62.550, FAC), the Utility had reached a level of flows within its water system that required a second hydropneumatic tank. As such, the Utility has been required to invest \$78,000 in the addition of these two new hydropneumatic tanks. One of the tanks is in place and currently providing service and the other is under contract and in the process of installation and will be in service within approximately sixty days.

(5) To complete the additional revenue requirement related to these tanks, the Utility has utilized the PSC guidelines for

depreciation pursuant to Chapter 25-30.140, and the last authorized rate of return for Water Oak, as established pursuant to Commission Order No. 16528 issued on August 27, 1986, which is 12.65%. Therefore, the total revenue requirement (before regulatory assessment fees) necessary in order to allow the Utility a recovery of these costs and a fair return on the investment in the new hydropneumatic tanks is \$14,826.

Rates

(6) The Utility is proposing that the Commission allow it to adopt a new rate structure based upon a base facility charge and three distinct levels of usage charges in order to allow full recovery of the Utility's historic test year calendar 1998 revenues plus the additional \$22,956 related to the recovery of the costs related to new hydropneumatic tanks and legal and engineering costs related to this proceeding and the SJRMD water use permitting proceeding:

- (a) Tier One - 0-5,000 Gallons/Month - The first tier of consumption is proposed to be charged at the same low level that the Utility has charged customers in the past (\$.51/1,000 gallons). This would apply to all monthly consumption between 0 - 5,000 gallons/ERCs.

- (b) Tier Two - 5,000-10,000 Gallons/Month - The Utility proposes to utilize a consumption

charge of \$1.15/1,000 gallons for the second tier. This rate has been calculated based upon recovery of the Utility's full revenue requirement within the first and second tiers of the inclining block rate structure, assuming a 2% drop reduction in consumption at this middle tier (monthly usage of between 5 and 10,000 gallons/ERC). The calculations underlying this are included within the schedules attached hereto and made a part hereof as **"Exhibit A"**.

(c) Tier Three - 10,000 or More Gallons/Month -

The final tier of rates is for usage over 10,000 gallons/month/ERC. The Utility is proposing that this third tier of the inclining block rate structure be double that of the middle tier in order to encourage conservation within the Utility's service area. The Utility roughly estimates that consumption within this third tier will be reduced by approximately 25%.

(7) Finally, the Utility proposes that all revenues derived from the highest tier of its three tiered inclining block rate structure will be deposited and held in a separate account and utilized only for conservation measures. The Commission approved a similar rate

structure and arrangement in Docket No. 960305-WS in the Original Certificate Application of Little Sumter Utilities, Inc.

Attachments

(8) We are attaching hereto copies of a group of five tables which support this application for a limited proceeding rate increase and rate restructuring. These are as prepared by Mr. Gary Morse and Excel Engineering Consultants, Inc., consultants to Water Oak. These tables provide the following information:

Table 1 Summary of Customer Water Usage Data - This table provides water usage data for Water Oak customers, including: number of active accounts, total usage per month, average monthly usage by account, average daily usage by account and by person.

Table 2 Water Billing Summary for Most Recent 12 Months - This schedule provides a billing analysis showing consumption at the three different consumption levels for the calendar year 1998 and the number of bills in each category and the revenue derived therefrom.

Table 3 Water Oak Additional Revenue Requirements - This table shows a calculation of the additional revenue which the Utility must recover in order to recover costs related to this proceeding, water use permitting, and recovery of the costs related to the new hydropneumatic tanks.

Table 4 Water Billing Summary for 1998 - This table shows actual consumption, number of bills at the various consumption levels, the revenue derived from each and calculates, and the reduced consumption and revenues derived under the various consumption levels based upon the price elasticity of demand assumptions.

Table 5 Proposed Rate Restructuring - Water - This schedule shows the development of the actual rates in the various categories and the revenues to be derived therefrom based upon the actual gallonage and the price elasticity assumptions as previously calculated.

(9) Attached hereto as "**Exhibit B**" is a copy of the contract showing the actual cost of the new hydropneumatic tanks required to be installed in order for the Utility to continue to comply with the requirements of DEP rules.

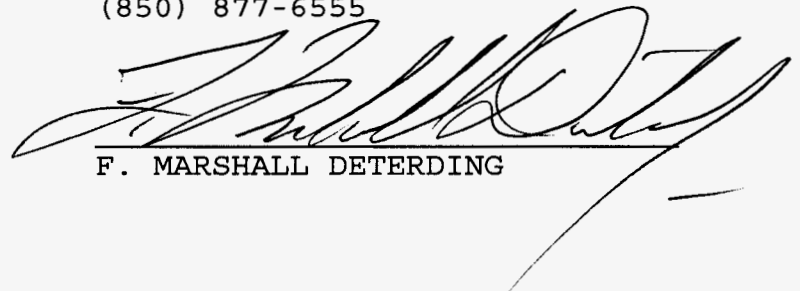
(10) Attached as "**Exhibit C**" are copies of tariff sheets as requested in order to implement the proposed rate change outlined herein.

(11) Attached hereto is a check in the amount of \$1,000 for the filing fee pursuant to Commission Rule 25-30.020(2)(g)(4).

WHEREFORE, Water Oak Utilities Co., Inc. hereby requests that the Florida Public Service Commission expeditiously review this Application and the attachments thereto and grant to the Utility increased and restructured rates in accordance with this Application.

Respectfully submitted this
2nd day of March, 1999, by:

ROSE, SUNDSTROM & BENTLEY, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301
(850) 877-6555



F. MARSHALL DETERDING

WATER OAK UTILITIES COMPANY, INC.

Schedules (Tables 1-6)

EXHIBIT A

Table 1

Water Oak Utilities Company, Inc.
Summary of Customer Water Usage Data

Line No.	Number of Actively Billed Accounts[1]	Water Consumption (Gallons)[1]	Average Usage Per Month Per Account	Average Daily Use Per Account	Average Daily Use Per Person[3]
1	January 97	477	[2]	N/A	N/A
2	February	478	[2]	N/A	N/A
3	March	482	[2]	N/A	N/A
4	April	483	[2]	N/A	N/A
5	May	487	5,353,502	10,993	355
6	June	488	6,221,253	12,748	425
7	July	489	5,469,485	11,185	361
8	August	493	6,106,873	12,387	400
9	September	494	5,763,640	11,667	389
10	October	498	6,073,076	12,195	393
11	November	504	4,142,257	8,219	274
12	December	506	3,308,663	6,539	211
13	Total		<u>42,438,749</u>		
14	January 98	508	4,368,650	8,600	277
15	February	510	2,387,971	4,682	167
16	March	517	6,048,897	11,700	377
17	April	518	7,627,715	14,725	491
18	May	523	6,875,537	13,146	424
19	June	523	7,909,975	15,124	504
20	July	542	7,134,892	13,164	425
21	August	538	5,407,380	10,051	324
22	September	535	4,552,969	8,510	284
23	October	542	7,728,424	14,259	460
24	November	557	6,405,147	11,499	383
25	December	564	5,413,133	9,598	310
26	Total		<u>71,860,690</u>		

Footnotes:

[1] Monthly bill data provided by Sun Communities.

[2] Billing data not readily available from Sun Communities.

[3] Assumes 1.75 persons per account per information provided by Excel Engineering Consultants, Inc.



Table 2
Water Oak Utilities Company, Inc.
Water Billing Summary For The Most Recent 12 Months

Line No.	Month	Usage Levels	Number of Bills	Percent of Total	Consumption (Gallons)	Percent of Total	Average Use Per Bill	Present Rate Revenue - Water		
								Base Charges	Gallons Charges	Total Revenue
1	January 1998	Zero Bills	9	1.77%	0					
2		0 to 5,000	194	38.19%	2,154,108	49.31%		\$	1,099	
3		5,001 to 10,000	170	33.46%	1,084,111	24.82%			553	
4		Over 10,000	144	28.35%	1,130,431	25.88%			577	
5		Total	508		4,368,650		8,600	\$	3,236	2,228 \$
										5,464
6	February 1998	Zero	19	3.73%	0					
7		0 to 5,000	353	69.22%	1,644,612	68.87%			839	
8		5,001 to 10,000	96	18.82%	478,460	20.04%			244	
9		Over 10,000	61	11.96%	264,899	11.09%			135	
10		Total	510		2,387,971		4,682	\$	3,249	1,218 \$
										4,467
11	March 1998	Zero	23	4.45%	0					
12		0 to 5,000	91	17.60%	2,338,337	38.66%			1,193	
13		5,001 to 10,000	153	29.59%	1,784,463	29.50%			910	
14		Over 10,000	273	52.80%	1,926,097	31.84%			982	
15		Total	517		6,048,897		11,700	\$	3,293	3,085 \$
										6,378
16	April 1998	Zero	13	2.51%	0					
17		0 to 5,000	64	12.36%	2,378,556	31.18%			1,213	
18		5,001 to 10,000	91	17.57%	2,058,401	26.99%			1,050	
19		Over 10,000	363	70.08%	3,190,758	41.83%			1,627	
20		Total	518		7,627,715		14,725	\$	3,300	3,890 \$
										7,190
21	May 1998	Zero	21	4.02%	0					
22		0 to 5,000	75	14.34%	2,379,775	34.61%			1,214	
23		5,001 to 10,000	120	22.94%	1,975,745	28.74%			1,008	
24		Over 10,000	328	62.72%	2,520,017	36.65%			1,285	
25		Total	523		6,875,537		13,146	\$	3,332	3,507 \$
										6,838
26	June 1998	Zero	18	3.44%	0					
27		0 to 5,000	64	12.24%	2,406,447	30.42%			1,227	
28		5,001 to 10,000	78	14.91%	2,118,318	26.78%			1,080	
29		Over 10,000	381	72.85%	3,385,210	42.80%			1,726	
30		Total	523		7,909,975		15,124	\$	3,332	4,034 \$
										7,366
31	July 1998	Zero	23	4.24%	0					
32		0 to 5,000	108	19.93%	2,408,551	33.76%			1,228	
33		5,001 to 10,000	165	30.44%	1,760,254	24.67%			898	
34		Over 10,000	269	49.63%	2,966,087	41.57%			1,513	
35		Total	542		7,134,892		13,164	\$	3,453	3,639 \$
										7,091
36	August 1998	Zero	24	4.46%	0					
37		0 to 5,000	130	24.16%	2,316,257	42.84%			1,181	
38		5,001 to 10,000	168	31.23%	1,639,467	30.32%			836	
39		Over 10,000	240	44.61%	1,451,656	26.85%			740	
40		Total	538		5,407,380		10,051	\$	3,427	2,758 \$
										6,185
41	September 1998	Zero	19	3.55%	0					
42		0 to 5,000	180	33.64%	2,269,286	49.84%			1,157	
43		5,001 to 10,000	180	33.64%	1,320,947	29.01%			674	
44		Over 10,000	175	32.71%	962,736	21.15%			491	
45		Total	535		4,552,969		8,510	\$	3,408	2,322 \$
										5,730
46	October 1998	Zero	10	1.85%	0					
47		0 to 5,000	69	12.73%	2,504,187	32.40%			1,277	
48		5,001 to 10,000	91	16.79%	2,164,583	28.01%			1,104	
49		Over 10,000	382	70.48%	3,059,654	39.59%			1,560	
50		Total	542		7,728,424		14,259	\$	3,453	3,941 \$
										7,394
51	November 1998	Zero	8	1.44%	0					
52		0 to 5,000	83	14.90%	2,568,866	40.11%			1,310	
53		5,001 to 10,000	166	29.80%	2,004,886	31.30%			1,022	
54		Over 10,000	308	55.30%	1,831,395	28.59%			934	
55		Total	557		6,405,147		11,499	\$	3,548	3,267 \$
										6,815
56	December 1998	Zero	7	1.24%	0					
57		0 to 5,000	136	24.11%	2,520,719	46.57%			1,286	
58		5,001 to 10,000	207	36.70%	1,580,306	29.19%			806	
59		Over 10,000	221	39.18%	1,312,108	24.24%			669	
60		Total	564		5,413,133		9,598	\$	3,593	2,761 \$
										6,353
61	Total for Year							\$	40,621	\$ 36,649 \$
										77,270

Table 3
Water Oak Utilities Company, Inc.
Additional Revenue Requirements

Line No.	Description	Additional Costs
1	Cost of Hydropneumatic Tanks	\$80,000
2	Annual Depreciation [1]	5.88%
3	Additional Revenue Requirement	<u>\$4,706</u>
4	Rate of Return [2] On Hydropneumatic Tanks	12.65%
5	Additional Revenue Requirement	<u>\$10,120</u>
	Cost of Filing:	
6	Filing Fee	1,000
7	Legal (Estimated)	5,000
8	Rate/Financial Consulting	12,390
9	Subtotal	<u>\$18,390</u>
10	Amortization Period(yrs.)	4
11	Additional Annual Revenue Requirement	4,598
12	Engineering CUP Related Costs	7,500
13	Amortization Period(yrs.)	3
14	Additional Annual Revenue Requirement	2,500
15	Total Additional Annual Revenue Requirement	<u>\$21,923</u>
16	Total Adjusted for Gross Receipts Tax [3]	<u><u>\$22,956</u></u>

Footnotes:

[1] Based on FPSC Depreciation rates per Chapter 25-30.140 (Acct 320 - 17 yr. Life)

Original tank was assumed to be fully depreciated. See contract attached for original installed cost of tanks.

[2] Rate of return authorized in Order # 16528 dated August 27, 1986 (Original Certificate).

[3] Amount on line 15 divided by .955

Table 4

Water Oak Utilities Company, Inc.
Water Billing Summary For 1998

	January	February	March	April	May	June	July	August	September	October	November	December	Totals
Number of Bills	506	510	517	518	523	523	542	538	535	542	557	564	6,377
Number of (0) Bills	9	19	23	13	21	18	23	24	19	10	8	7	194
Number of Negative Bills	0	0	0	1	0	0	0	0	0	0	0	0	1
Number of Bills < 100 gal	13	24	23	17	22	21	27	28	22	13	11	8	229
Total Gallons	4,368,650	2,387,971	6,048,897	7,627,715	6,875,537	7,909,975	7,134,892	5,407,380	4,552,969	7,728,424	6,405,147	5,413,133	71,860,690
Maximum Billed Gallons	77,410	31,010	120,895	65,927	56,050	50,720	183,220	51,040	36,550	44,540	39,660	69,607	826,629
Number of Bills < 1,000	25	48	29	24	35	30	37	44	36	26	23	21	378
Number of Bills 1,001 to 5,000	169	305	62	40	40	34	71	85	144	43	60	115	1,169
Number of Bills 5,001 to 10,000	170	96	153	91	120	78	165	168	180	91	166	207	1,685
Number of Bills 10,001 to 20,000	109	57	208	237	235	252	194	193	143	273	255	184	2,340
Number of Bills 20,001 to 50,000	32	4	64	123	91	128	61	46	32	109	53	36	779
Number of Bills > 50,000	3	0	1	3	2	1	14	1	0	0	0	1	26
Rate Blocks													
First 5,000 gal	2,134,108	1,644,612	2,338,337	2,378,556	2,379,775	2,406,447	2,408,551	2,316,257	2,269,286	2,504,187	2,568,866	2,520,719	27,889,701
Next 5,000 gal	1,084,111	478,460	1,784,463	2,058,401	1,975,745	2,118,318	1,760,254	1,639,467	1,320,947	2,164,583	2,004,886	1,580,306	19,969,941
Over 10,000 gal	1,130,431	264,899	1,926,097	3,190,758	2,520,017	3,385,210	2,966,087	1,451,656	962,736	3,059,654	1,831,395	1,312,108	24,001,048
Existing Revenues													
Base Charge \$6.37 /month	\$3,235.96	\$3,248.70	\$3,293.29	\$3,299.66	\$3,331.51	\$3,331.51	\$3,452.54	\$3,427.06	\$3,407.95	\$3,452.54	\$3,548.09	\$3,592.68	\$40,621
Usage Charge 0.00210 /gal	2,228.01	1,217.87	3,084.94	3,890.13	3,506.52	4,034.09	3,638.79	2,757.76	2,322.01	3,941.50	3,266.62	2,760.70	\$36,649
Total Revenue	\$5,463.97	\$4,466.57	\$6,378.23	\$7,189.79	\$6,838.03	\$7,365.60	\$7,091.33	\$6,184.82	\$5,729.96	\$7,394.04	\$6,814.71	\$6,353.38	\$77,270
Proposed Revenues													
Base Charge \$9.97 /month	\$5,064.76	\$5,084.70	\$5,154.49	\$5,164.46	\$5,214.31	\$5,214.31	\$5,403.74	\$5,363.86	\$5,333.95	\$5,403.74	\$5,553.29	\$5,623.08	\$63,579
Assumed Price Elasticity Factors:													
First Block	0.00												
Second Block	(0.02)												
Third Block	(0.25)												
Assumed Reduction in Consumption:													
First Block	0%												
Second Block	2%												
Third Block	25%												
Adjusted Consumption:													
First Block	2,154,108	1,644,612	2,338,337	2,378,556	2,379,775	2,406,447	2,408,551	2,316,257	2,269,286	2,504,187	2,568,866	2,520,719	27,889,701
Second Block	1,062,429	468,891	1,748,774	2,017,233	1,936,230	2,075,952	1,725,049	1,606,678	1,294,528	2,121,291	1,964,788	1,548,700	19,370,542
Third Block	847,823	198,674	1,444,573	2,393,069	1,890,013	2,538,908	2,224,565	1,088,742	722,052	2,294,741	1,373,546	984,081	18,000,786
	4,064,360	2,312,177	5,531,683	6,788,857	6,206,018	7,021,306	6,358,165	5,011,677	4,285,866	6,920,219	5,907,201	5,033,500	
Revenue Test - Usage Charge:													
First 5,000 0.00051 /gal	1,098.60	838.75	1,192.55	1,213.06	1,213.69	1,227.29	1,228.36	1,181.29	1,157.34	1,277.14	1,310.12	1,285.57	\$14,224
Next 5,000 0.00115 /gal	1,221.79	539.22	2,011.09	2,319.82	2,226.66	2,387.34	1,983.81	1,847.68	1,488.71	2,439.49	2,259.51	1,781.00	\$22,506
Over 10,000 0.00210 /gal	1,949.99	456.95	3,322.52	5,504.06	4,347.03	5,839.49	5,116.50	2,504.11	1,660.72	5,277.90	3,159.16	2,263.39	\$41,402
Usage Revenue													\$78,132

Table 5

Water Oak Utilities Company, Inc.

Proposed Rate Restructuring - Water

Line No.		
Development of Base Charge:		
1	Revenue Required Under Revenue Neutral Basis	\$40,621
2	Additional Revenue Requirement from Table 3	\$22,956
3	Adjusted Revenue Requirement	\$63,578
4	Number of Bills Rendered	6,377
5	Proposed Base Charge per Month (calculated)	\$9.97
6	Proposed Base Charge per Month	\$9.97
Development of Essential Use First Block Rate (<6,000 Gal Use Per Month)		
7	Gallons Billed in First Block [1]	27,889,701
8	Existing Rate per Thousand Gallons	\$0.51
9	Revenue Generated by First Block(line 1 times line 2)	\$14,224
10	First Block Price Elasticity Factor	N/A
11	Percent Increase in Usage Rate	N/A
12	Estimated Reduction in First Block Usage	N/A
Development of Discretionary Use Second Block Rate (Use between 5,000 and 10,000 Gal)		
13	Gallons Billed in Second Block	19,969,941
14	Assumed Price Elasticity Factor	-0.02
15	Percentage Increase in Usage Rate	127%
16	Estimated Percent Reduction in Consumption	2.00%
17	Assumed Decrease in Water Sales	(399,399)
18	Adjusted Gallon Billed in Second Block	19,570,542
19	Revenue Required for Revenue Neutral Status To Be Achieved By The First Two Usage Blocks	\$22,425.20
20	Resulting Second Block Rate Per 1,000 Gallons (rounded)	\$1.15
Development of Third Block Conservation Rate For Excess Use Above 10,000 Gallons:		
21	Third Block Price Elasticity Factor	-0.25
22	Percent Increase in Usage Rate	100%
23	Estimated Reduction in Third Block Usage	25%
24	Gallons Billed Third Block	24,001,048
25	Assumed Decrease in Water Billed	(6,000,262)
26	Adjusted Gallons Billed	18,000,786
27	Rate for Third Block	\$2.30
28	Estimated Third Block Usage Revenue	\$41,402

Table 6

Water Oak Utilities Company, Inc.
Comparison of Typical Monthly Water Bills

Line No.	Usage (Gallons)	Typical Monthly Water Bill		Increase (\$)	Percent Increase
		Present Rates	Proposed Rates(*)		
1	0	\$6.37	\$9.97	\$3.60	56.51%
2	1,000	\$6.88	\$10.48	\$3.60	52.33%
3	2,000	\$7.39	\$10.99	\$3.60	48.71%
4	3,000	\$7.90	\$11.50	\$3.60	45.57%
5	4,000	\$8.41	\$12.01	\$3.60	42.81%
6	5,000	\$8.92	\$12.52	\$3.60	40.36%
7	6,000	\$9.43	\$13.67	\$4.24	44.96%
8	8,000	\$10.45	\$15.97	\$5.52	52.82%
9	10,000	\$11.47	\$18.27	\$6.80	59.29%
10	12,000	\$12.49	\$22.87	\$10.38	83.11%
11	15,000	\$14.02	\$29.77	\$15.75	112.34%
12	18,000	\$15.55	\$36.67	\$21.12	135.82%
13	20,000	\$16.57	\$41.27	\$24.70	149.06%
14	25,000	\$19.12	\$52.77	\$33.65	175.99%
15	30,000	\$21.67	\$64.27	\$42.60	196.59%
16	35,000	\$24.22	\$75.77	\$51.55	212.84%

* Does not recognize the effects of potential water use reductions as a result of the price elasticity impact from the proposed water conservation rate adjustment. Nor does it reflect the potential benefits from the use of escrow funds to conduct water conservation efforts/programs on behalf of the utilities customers/homeowners.

WATER OAK UTILITIES COMPANY, INC.
Contract Showing Cost of Tanks Required

EXHIBIT B

WAYNE'S DIVERSIFIED SERVICES

WDS

P.O. Box 5177
Deltona, FL 32728
Office: (407) 574-7938
Fax: (407) 574-6285

New & Used
Water & Wastewater
Treatment Equipment

WATER OAKS COUNTRY CLUB
216 Magnolia Dr.
Lady Lake, Fl. 32159
Att: Ms. Gabriel Umbel
Re: water plant renovations

Aug. 6, 1998

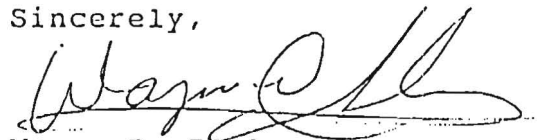
Dear Ms. Umbel,

Thank you for the invitation to place a bid with your firm on the above referenced project. At this time we are pleased to present the following scope of work and price for your approval:

WDS will furnish all labor, equipment and material to facilitate the the modifications and up grades as shown on EXCEL ENGINEERING plans dated 7/28/98. WDS will furnish and install 2-20,000 gallon pressure vessels. One will be installed on a new slab and piers constructed by WDS and 1 will be installed on exsisting slab and piers after the removal of exsisting tank. WDS will furnish all testing of tanks and lines and furnish engineer with lab results. All work and materials will be warranted for a period of 1 year from date of "start-up"

Our price for the above scope of work is \$78,430.00. If you should have any questions, please feel free to call. We look forward to working with you on this project and again, thank you for this opportunity.

Sincerely,



Wayne D. Shelar



WATER OAK UTILITIES COMPANY, INC.

Revised Tariff Sheets

EXHIBIT C

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For water service to all customers for which no other schedule applies.

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

BILLING PERIOD - Monthly

RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 9.97
3/4"	14.96
1"	24.93
1-1/2"	49.85
2"	79.76
3"	159.52
4"	249.25
6"	498.50

Charge per 1,000 gallons \$.51

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within (20) days. After five (5) working days written notice, service may then be discontinued.

EFFECTIVE DATE -

Jonathan Colman
ISSUING OFFICER

TYPE OF FILING - Limited Proceeding

Vice President
TITLE



RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For water service for all purposes in private residences and individually metered apartment units.

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

BILLING PERIOD - Monthly

RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 9.97
3/4"	14.96
1"	24.93
1-1/2"	49.85
2"	79.76
3"	159.52
4"	249.25
6"	498.50

Charge per 1,000 gallons \$.51

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within (20) days. After five (5) working days written notice, service may then be discontinued. (Written notice is to be mailed to the customer separate and apart from any other bill.)

EFFECTIVE DATE -

Jonathan Colman
ISSUING OFFICER

TYPE OF FILING - Limited Proceeding

Vice President
TITLE

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

RECEIVED-FPSC

In re: Application of Water)
Oak Utilities, Co. Inc. for **DEPOSIT**)
limited proceeding increase **D095**)
and restructuring of water rates.)

DATE 90 MAR -2 PH 4:26
MAR 03 1999
Docket No. 990243

RECORDS AND
990243

APPLICATION FOR LIMITED PROCEEDING
INCREASE IN WATER RATES

Applicant, Water Oak Utilities Co., Inc. (hereinafter "Water Oak", "Applicant" or "Utility"), pursuant to Sections 367.0822 and 367.081(1)(a) and (3), Florida Statutes, files this Application for limited proceeding increase in water rates for service provided to the Utility's system in Lake County, Florida, based upon the costs

ACK _____ associated with the St. Johns River Management District's ("SJRMD")
AFA _____
APP _____ required institution of conservation rate structure, and to recover
CAF _____ the cost of new hydropneumatic tanks necessitated by DEP require-
CMU _____ ments. The change in billing method will increase costs slightly
CTR _____ but is in the best interests of the Utility's customers. Applicant
EAG _____ is a Class C water and wastewater utility as defined by Rule 25-
LEG _____ 30.115(1), Florida Administrative Code ("F.A.C."). Its 1998
LIN _____ historic revenues totalled \$77,270 for water service. In support
OPC _____ of this request for a limited proceeding rate increase, the
RCH _____ Applicant states as follows:
SEC _____
WAS _____
OTH _____

RECEIVED BY MR. R. DATE

02671-99
3-2-99

21297

ROSE, SUNDBSTROM & BENTLEY, LLP
OPERATING ACCOUNT
PH 877-6555
2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FL 32301

63-68/631
BRANCH 002

DATE March 2, 1999

PAY TO THE ORDER OF Florida Public Service Commission

\$ *1,000.00*

One Thousand and 00/100

DOLLARS



Chris H Bentley
J. Breen

FOR

⑈021297⑈