

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A  
STAFF ASSISTED RATE CASE

010791-SU

I. General Data

A. Name of utility Fairmount Utilities the 2nd, Inc.

B. Address 3625 Valerie Blvd., Sebring, FL 33870

P.O. Box 488, Avon Park, FL 33826

1. Telephone Nos. (863) 385-8542

2. County Highlands Nearest city Sebring

3. General area served Fairmount Mobile Estates

C. Authority:

1. Water Certificate No. N/A Date received N/A

2. Sewer Certificate No. 357-S Date received 10-14-91

3. Date utility started operations: Water N/A Sewer 10-14-91

D. How system was acquired Purchased

If utility was purchased, give date 10-14-91 Amount Paid \_\_\_\_\_

1. Name of Seller \_\_\_\_\_

2. Was seller affiliated with present owners? No

3. Did you purchase: Stock \_\_\_\_\_ or assets only Yes

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

Proprietorship Corporation

F. Ownership & Officers:

	<u>Name</u>	<u>Title</u>	<u>Percent Ownership</u>
1.	<u>Roger E. Miller</u>	<u>President</u>	<u>51%</u>
2.	<u>Karen J. Berry</u>	<u>Manager</u>	<u>49%</u>
3.	_____	_____	_____
4.	_____	_____	_____

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):

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

II. Accounting Data

A. Outside Accountant

- 1. Name William Benton
- 2. Firm NCT Group CPAs, L.L.P  
435 S. Commerce Avenue
- 3. Address Sebring, FL 33870
- 4. Telephone (863) 385-1577

B. Individual to contact on accounting matters:

- 1. Name William Benton
- 2. Telephone (863) 385-1577

C. Location of books and records 3625 Valerie Blvd.  
Sebring, FL 33870

D. Have you filed an Annual Report with the Commission? Yes  
Date last filed 12/31/00

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

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

1. Water	19__	19__
Cost of Plant In Service:	\$ <u>N/A</u>	\$ <u>N/A</u>
Less Accumulated Depreciation:	<u>N/A</u>	<u>N/A</u>
Less Contributed Plant:	<u>N/A</u>	<u>N/A</u>
Net Owner's Investment:	\$ <u>N/A</u>	\$ <u>N/A</u>

	<u>2000</u> <u>19__</u>	1999
2. Sewer		
Cost of Plant In Service:	\$ <u>208,640</u>	\$ <u>208,640</u>
Less Accumulated Depreciation:	<u>(151,241)</u>	<u>(143,443)</u>
Less Contributed Plant:	<u>                    </u>	<u>                    </u>
Net Owner's Investment:	\$ <u><u>57,399</u></u>	\$ <u><u>65,197</u></u>

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

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

2. Sewer	2000 <u>19</u>	1999
Revenues (By Class):		
a. <u>Residential</u>	\$ <u>103,842</u>	\$ <u>102,381</u>
b. _____	_____	_____
c. _____	_____	_____
Total Operating Revenues:	\$ <u>103,842</u>	\$ <u>102,381</u>
Less Expenses:		
a. Salaries & Wages - Employees	\$ <u>18,809</u>	\$ <u>32,131</u>
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	<u>26,307</u>	<u>15,000</u>
c. Employee Pensions & Benefits	<u>-0-</u>	<u>-0-</u>
d. Purchased Sewage Treatment	<u>-0-</u>	<u>-0-</u>
e. Sludge Removal Expense	<u>1,488</u>	<u>1,698</u>
f. Purchased Power	<u>4,949</u>	<u>4,138</u>
g. Fuel for Power Production	<u>-0-</u>	<u>-0-</u>
h. Chemicals	<u>700</u>	<u>5,901</u>
i. Materials & Supplies	<u>-0-</u>	<u>-0-</u>
j. Contractual Services	<u>17,356</u>	<u>26,023</u>
k. Rents	<u>3,638</u>	<u>4,494</u>
l. Transportation Expenses	<u>444</u>	<u>1,110</u>
m. Insurance Expense	<u>1,346</u>	<u>727</u>
n. Regulatory Commission Expense	<u>-0-</u>	<u>-0-</u>
o. Bad Debt Expense	<u>-0-</u>	<u>466</u>
* p. Miscellaneous Expense	<u>7,064</u>	<u>6,765</u>
q. Depreciation Expense	<u>7,798</u>	<u>7,798</u>
r. Property Taxes	<u>2,597</u>	<u>3,345</u>
s. Other Taxes	<u>9,398</u>	<u>8,161</u>
t. Income Taxes	<u>-0-</u>	<u>-0-</u>
Operating Income (Loss)	\$ <u>1,948</u>	\$ <u>(15,376)</u>

H. Outstanding Debt:

	<u>Creditor</u>	<u>Date Borrowed</u>	<u>Balance Due</u>	<u>Interest Rate</u>	<u>Expiration Date</u>
1.	<u>First Union National Bank</u>	_____	<u>\$46,785</u>	<u>13.475%</u>	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____

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)

\* Miscellaneous expense includes miscellaneous expense of \$7,155 for 2000 & \$6,856 for 1999 and amortization of CIAC expense of (\$91) for 2000 & (\$91) for 1999.

III. Engineering Data

A. Outside Engineering Consultant:

1. Name Christopher Lynch - Fl. P.E. #40174
2. Firm Kennedy, Lynch and Assoc., Inc.
3. Address 103 South Ridgewood; Sebring, FL 33870
4. Telephone (863) 471-2219

B Individual to contact on engineering matters:

1. Name Jeff Kennedy
2. Telephone (863) 471-3989

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. Only minor maintenance problems

E. Name of plant operator(s) and DER operator certificate number(s) held. Charles V. Wall C-6184  
(For Pugh Utilities, Inc.)

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 280,000 under construction 0 proposed 0
2. Type and make of present treatment facilities Extended Aeration, Davco, Defiance
3. Approximate average daily flow of treatment plant effluent 22,000 GPD Annual Average Daily Flow
4. Approximate length of sewer mains:  
Size (diameter) 8" 6" 4"  
Linear feet 610 3200 1200
5. Number of manholes 46
6. Number of liftstations 1
7. How do you measure treatment plant effluent? At lift station w/elapsed time counters
8. Is the treatment plant effluent chlorinated? Yes If yes, what is the normal dosage rate? 0.5-1.0 GPD

- 9. Tap in fees - Sewer \$ 0
- 10. Service availability fees - Sewer \$ 0
- 11. Note DER Treatment Plant Certificate Number and date of expiration: Number D028187065 Expiration Date 4-04-01
- 12. Total gallons treated during most recent twelve months 8,160,000
- 13. Sewage treatment purchased during most recent twelve months N/A  
No

H. Water

- 1. Gallons per day capacity of treatment facilities existing N/A  
\_\_\_\_\_ under construction \_\_\_\_\_ proposed \_\_\_\_\_
- 2. Type of treatment N/A  
\_\_\_\_\_
- 3. Approximate average daily flow of treated water N/A  
\_\_\_\_\_
- 4. Source of water supply N/A  
\_\_\_\_\_
- 5. Types of chemicals used and their normal dosage rates N/A  
\_\_\_\_\_
- 6. Number of wells in service N/A Total capacity in gallons per  
minute (gpm) \_\_\_\_\_  
Diameter/Depth \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Motor horsepower \_\_\_\_\_  
Pump capacity (gpm) \_\_\_\_\_
- 7. Reservoirs and/or hydropneumatic tanks:  
Description N/A \_\_\_\_\_  
Capacity \_\_\_\_\_
- 8. High service pumping:  
Motor horsepower N/A \_\_\_\_\_  
Pump capacity (gpm) N/A \_\_\_\_\_
- 9. How do you measure treatment plant production? N/A  
\_\_\_\_\_
- 10. Approximate feet of water mains:  
Size (diameter) N/A \_\_\_\_\_  
Linear feet N/A \_\_\_\_\_

11. Note any fire flow requirements and imposing government agency  
N/A
12. Number of fire hydrants in service N/A
13. Do you have a meter change out program? N/A
14. Meter installation or tap in fees - Water \$ N/A
15. Service availability fees - Water \$ N/A
16. Has the existing treatment facility been approved by DER?  
N/A
17. Total gallons pumped during most recent twelve months N/A
18. Total gallons sold during most recent twelve months N/A
19. Gallons unaccounted for during most recent twelve months N/A
20. Gallons purchased during most recent twelve months N/A

IV. Rate Data

A. Individual to contact on tariff matters:

1. Name Roger E. Miller
2. Telephone Number (863) 385-8407 (Home), (863) 385-8542 (Business)

B. Schedule of present rates (Attach additional sheet if more space is needed):

1. Water:

a. Residential Water	<u>N/A</u>
b. General Service	<u>N/A</u>
c. Special Contract	<u>N/A</u>
d. Other	<u>N/A</u>

2. Sewer:

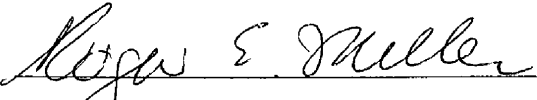
a. Residential Sewer	<u>\$15.14 Base</u>	<u>\$3.16 per 1,000 Gallons</u>
b. General Service	<u>\$15.14 Base</u>	<u>\$3.78 per 1,000 Gallons</u>
c. Special Contract	<u>N/A</u>	
d. Other	<u>N/A</u>	

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

	<u>2000</u>	<u>1999</u>
1. Water Metered		
a. Residential	N/A	N/A
b. General Service	N/A	N/A
c. Special Contract	N/A	N/A
d. Other - specify	N/A	N/A
	N/A	N/A
2. Water Unmetered	<u>2000</u>	<u>1999</u>
a. Residential	N/A	N/A
b. General Service	N/A	N/A
c. Special Contract	N/A	N/A
d. Other - specify	N/A	N/A
	N/A	N/A
3. Sewer	<u>2000</u>	<u>1999</u>
a. Residential	425	425
b. General Service	3	3
c. Special Contract	0	0
d. Other - specify	0	0

V Affirmation

I, Roger E. Miller 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   
 Title President

Notice: Section 937.06, 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.