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REPLY TO CENTRAL FLORIDA OFFICE

July 10, 2006

HAND DELIVERY

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RECEIVED-FPSC
06 JUL 10 PM 2:36
COMMISSION
CLERK

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 060257-WS; Cypress Lakes Utilities, Inc.'s Application for Rate Increase
in Polk County, Florida
Our File No.: 30057.113

Dear Ms. Bayo:

The following are the Utility's responses to the Commission Staff's June 7, 2006, correspondence identifying deficiencies in the MFRs:

Rule 25-30.110 (2). Florida Administrative Code (F.A.C.), requires that all data furnished to the Commission shall be consistent with the reconcilable with the utility's annual report. The following MFR Schedules are not reconcilable with the utility's Annal Reports:

CMP _____
COM 5
CTR _____
ECR 1
GCL 1
OPC 1
RCA _____
SCR _____
SGA _____
SEC 1
OTH _____

1. Schedule A-5, Water Plant in Service by Primary Account.

The Utility's ending balance for the year ending December 31, 2004, does not reconcile with the utility's 2004 Annual Report. Pursuant to Rule 25-30.110, F.A.C., please provide the reconciliation of the balances in the 2004 Annual Report and MFR Schedule A-5.

RESPONSE: Please refer to Exhibit "A" attached hereto.

2. Schedule A-6, Sewer Plant in Service by Primary Account.

DOCUMENT NUMBER-DATE
06070 JUL 10 06
FPSC-COMMISSION CLERK

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
July 10, 2006
Page 2

The utility's ending balance for the year ending December 31, 2004, does not reconcile with the utility's 2004 Annual Report. Pursuant to Rule 25-30.110, F.A.C., please provide the reconciliation of the balances in the 2004 Annual Report and MFR Schedule A-6.

RESPONSE: Please refer to Exhibit "B" attached hereto.

3. Schedule A-9, Water Accumulated Depreciation by Primary Account.

The utility's ending balance for the year end December 31, 2004, does not agree with the balance shown on page W-2 fo the utility's 2004 Annual Report. Pursuant to Rule 25-30.110, F.A.C., please provide the reconciliation of the balances in the 2004 Annual Report and MFR Schedule A-9.

RESPONSE: Please refer to Exhibit "C" attached hereto.

4. Schedule A-10, Wastewater Accumulated Depreciation by Primary Account.

The utility's ending balance for the year ending December 31, 2004, does not agree with the utility's 2004 Annual Report. Pursuant to Rule 25-30.110, F.A.C., please provide the reconciliation of the balances in the 2004 Annual Report and MFR Schedule A-10.

RESPONSE: Please refer to Exhibit "D" attached hereto.

5. Schedule B-13, Net Depreciation Expenses - Water

The utility's net depreciation expense does not agree with the balance shown on page W-3 of the 2005 Annual Report. Pursuant to Rule 25-30.110, F.A.C., please provide the reconciliation of the balances in the 2004 Annual Report and MFR Schedule B-13.

RESPONSE: Please refer to Exhibit "E" attached hereto, which consists of 15 copies of revised MFR schedule B-13.

6. Schedule B-14, Net depreciation Expenses - Wastewater

The utility's net depreciation expense does not agree with the balance shown on page

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
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Page 3

S-3 of the 2005 Annual Report. Pursuant to Rule 25-30.110, F.A.C., please provide the reconciliation of the balances in the 2004 Annual Report and MFR Schedule B-14.

RESPONSE: Please refer to Exhibit "F" attached hereto, which consists of 15 copies of revised MFR schedule B-14.

Rule 25-30.436 (4) (g), F.A.C., requires the provisions of Rule 25-30.433, F.A.C., shall be followed in preparing the Utility's Application. Specifically, Rule 25-30.433 (3), F.A. C., requires that used and useful debit deferred taxes shall be offset against used and useful credit deferred taxes, with any resulting net credit deferred balance included in the capital structure calculation and any resulting net debit balance included as a separate line item in the rate base calculation. Numbers 7 and 8 of the following lists are deficiencies pursuant to this Rule:

7. Schedule D-1, Requested Cost of Capital.
8. Schedule D-2, Reconciliation of Capital Structure Requested Rate Base.

On these schedules, the utility did not offset the debit accumulated deferred income taxes reflected on MFR Schedule A-18 with the utility's credit accumulated deferred income taxes on MFR Schedule A-19.

RESPONSE: Please refer to Exhibit "G" attached hereto, and revised MFR schedule D-1, 15 copies of which are provided herewith.

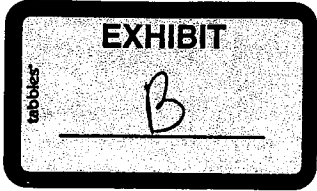
Rule 25-30.437, F.A.C., requires that each utility applying for a rate increase shall provide the information required by the Commission Form PSC/ECR 20 (11/93), entitled "Class B Water and/or Wastewater Utilities Financial, Rate and Engineering Minimum Filing Requirements." Numbers 9 and 10 of the following list are deficiencies pursuant to this Rule:

9. Schedule B-8, Comparative O&M Expense - Wastewater.

The utility is required to explain any differences which are not attributable to the change in customer growth and the CPI-U. The utility did not provide an explanation for the increase in Miscellaneous Expenses.

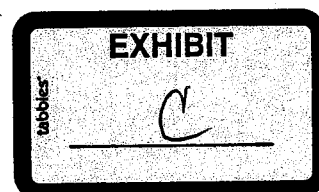
CYPRESS LAKES UTILITIES, INC.
DOCKET NO. 060257-WS
RECONCILIATION OF MINIMUM FILING REQUIREMENT TO TRIAL BALANCE
12/31/04 BALANCES

Account Number - MFR	Description	Amount	Annual Report W-4(a) Column (f)	Description	Amount from AR
MFR A-5 account numbers presented as:					
301.1	Organization	-	301	Organization	46,507
		-	302	Franchises	34,044
		-			80,551
302.1	Franchises	-		Less: Commission Ordered Adjustment	(80,551)
		-			0
303.2	Land & Land Rights	509	303	Land & Land Rights	509
		509			509
304.2	Structures & Improvements	66,925		Structures & Improvements - Pump Plant	64,284
		66,925		Structures & Improvements - Water Treatment Plant	2,641
			304		66,925
307.2	Wells & Springs	58,409	307	Wells and Springs	58,409
		58,409			58,409
311.2	Pumping Equipment	160,193	311	Electric Pump Equipment	160,430
		160,193		Less: Commission Ordered Adjustment	(237)
					160,193
320.3	Water Treatment Equipment	14,058	320	Water Treatment Equipment	14,058
		14,058			14,058
330.4	Distribution Reservoirs and Sandpipes	84,061	330	Distribution Reservoirs and Sandpipes	84,061
		84,061			84,061
331.4	Transmission and Distribution Mains	454,103	331	Transmission and Distribution Mains	454,103
		454,103			454,103
333.4	Services	224,407	333	Services	224,407
		224,407			224,407
334.4	Meters & Meter Instalations	134,265	334	Meters & Meter Instalations	134,265
		134,265			134,265
339.4	Hydrants	71,349	335	Hydrants	71,349
		71,349			71,349
340.5	Office Furniture & Equipment	932	340	Office Furniture & Equipment	932
		932			932
341.5	Transportation Equipment	54,793	341	Transportation Equipment	54,793
		54,793			54,793
343.5	Tools, Shop, & Garage Equipment	25,513	343	Tools, Shop, & Miscellaneous Equipment	30,829
		25,513		Less: Commission Ordered Adjustment	(5,316)
					25,513
344.5	Laboratory Equipment	5,785	344	Laboratory Equipment	6,088
		5,785		Less: Commission Ordered Adjustment	(303)
					5,785
348.5	Other Tangible Plant	34,517	348	Other Tangible Plant	34,517
		34,517			25,513
	Total	\$ 1,389,819			\$ 1,389,819



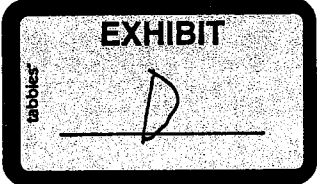
CYPRESS LAKES UTILITIES, INC.
DOCKET NO. 060257-WS
RECONCILIATION OF MINIMUM FILING REQUIREMENT TO TRIAL BALANCE
12/31/04 BALANCES

MFR Account Number	Description	Amount	Annual Report S-4(a) Column (f)	Description	Amount from AR
MFR A-6 account numbers presented as:					
351.1	Organization	<u> </u>	351	Organization	10,115
		<u> </u>		Less: Commission Ordered Adjustment	<u>(10,115)</u>
					<u> 0</u>
352.1	Franchises	<u> (1)</u>	352	Franchises	18,206
		<u> (1)</u>		Less: Commission Ordered Adjustment	<u>(18,207)</u>
					<u> (1)</u>
353.2	Land & Land Rights	<u> 2,610</u>	353	Land & Land Rights	-
		<u> 2,610</u>		Plus: Commission Ordered Adjustment	<u> 2,610</u>
					<u> 2,610</u>
354.2	Structures & Improvements	<u> 87,430</u>	354	Structures and Improvements	<u> 87,430</u>
		<u> 87,430</u>			<u> 87,430</u>
360.2	Collection Sewers - Force	<u> 341,888</u>	360	Collection Sewers - Force	<u> 340,883</u>
		<u> 341,888</u>		Plus: Commission Ordered Adjustment	<u> 1,005</u>
					<u> 341,888</u>
361.2	Collection Sewers - Gravity	<u> 905,584</u>	361	Collection Sewers - Gravity	<u> 905,584</u>
		<u> 905,584</u>		Rounding Error	<u> 1</u>
					<u> 905,584</u>
380.4	Treatment & Disposal Equipment	<u> 957,183</u>	380	Treatment & Disposal Equipment	<u> 1,217,045</u>
		<u> 957,183</u>		Less: Commission Ordered Adjustment	<u> (259,863)</u>
				Subtotal	<u> 957,182</u>
				Rounding Error	<u> 1</u>
					<u> 957,183</u>
390.5	Office Furniture & Equipment	<u> 311</u>	390	Office Furniture & Equipment	<u> 311</u>
		<u> 311</u>			<u> 311</u>
393.5	Tools, Shop, & Garage Equipment	<u> 9,130</u>	393	Tools, Shop, & Miscellaneous Equipment	<u> 3,814</u>
		<u> 9,130</u>		Plus: Commission Ordered Adjustment	<u> 5,316</u>
					<u> 9,130</u>
394.5	Laboratory Equipment	<u> 6,906</u>	394	Laboratory Equipment	<u> 6,906</u>
		<u> 6,906</u>			<u> 6,906</u>
396.5	Communication Equipment	<u> 2,875</u>	396	Communication Equipment	<u> 2,875</u>
		<u> 2,875</u>			<u> 2,875</u>
	Total	<u> 2,313,916</u>	Total		<u> 2,313,916</u>



CYPRESS LAKES UTILITIES, INC.
DOCKET NO. 060257-WS
RECONCILIATION OF MINIMUM FILING REQUIREMENT TO TRIAL BALANCE
12/31/04 BALANCES

MFR Account Number	Description	Amount	Annual Report W-6(b) Column (f)	Description	Amount from AR	Difference
108.2	Accumulated Depreciation - UPIS					
MFR A-9 account numbers presented as:						
304.2	Accumulated Depreciation - Structures & Improvements	28,739	304	Structures and Improvements	28,739	
		<u>28,739</u>			<u>28,739</u>	
307.2	Accumulated Depreciation - Wells & Springs	24,218	307	Wells and Springs	24,218	
		<u>24,218</u>			<u>24,218</u>	
311.3	Accumulated Depreciation - Pumping Equipment	69,663	311	Pumping Equipment	69,812	
		<u>69,663</u>		Less: Commission Ordered Adjustment	(149)	
					<u>69,663</u>	
320.3	Accumulated Depreciation - Water Treatment Equipment	5,267	320	Water Treatment Equipment	5,267	
		<u>5,267</u>			<u>5,267</u>	
330.4	Accumulated Depreciation - Distribution Reservoirs & Stand Pipes	20,721	330	Distribution Reservoirs and Sandpipes	20,721	
		<u>20,721</u>			<u>20,721</u>	
331.4	Accumulated Depreciation - Transmission and Distribution Mains	126,316	331	Transmission and Distribution Mains	126,316	
		<u>126,316</u>			<u>126,316</u>	
333.4	Accumulated Depreciation - Services	52,673	333	Services	52,673	
		<u>52,673</u>			<u>52,673</u>	
334.4	Accumulated Depreciation - Meters and Meter Installation	36,331	334	Meters & Meter Installations	36,331	
		<u>36,331</u>			<u>36,331</u>	
335.4	Accumulated Depreciation - Hydrants	19,608	335	Hydrants	19,608	
		<u>19,608</u>			<u>19,608</u>	
341.5	Accumulated Depreciation - Transportation Equipment	24,843	341	Transportation Equipment	24,843	
		<u>24,843</u>			<u>24,843</u>	
343.5	Accumulated Depreciation - Tools, Shop, & Garage Equipment	5,456	343	Tools, Shop, & Miscellaneous Equipment	7,671	
		<u>5,456</u>		Less: Commission Ordered Adjustment	(2,215)	
					<u>5,456</u>	
344.5	Accumulated Depreciation - Laboratory Equipment	1,852	344	Laboratory Equipment	1,963	
		<u>1,852</u>		Less: Commission Ordered Adjustment	(111)	
					<u>1,852</u>	
348.5	Accumulated Depreciation - Other Tangible Plant	9,822	348	Other Tangible Plant	9,822	
		<u>9,822</u>			<u>9,822</u>	
	Total	\$ 425,509	Total		\$ 425,509	



CYPRESS LAKES UTILITIES, INC.
DOCKET NO. 060257-WS
RECONCILIATION OF MINIMUM FILING REQUIREMENT TO TRIAL BALANCE
12/31/04 BALANCES

MFR Account Numbers	Description	Amount	Annual Report	Description	Amount	Difference
108.1	Accumulated Depreciation - UPIS		S-6(b)			
MFR A-10 account numbers presented as:			Column (I)			
354.2	Accumulated Depreciation - Structures & Improvements	<u>58,520</u>	354	Structures and Improvements	<u>58,520</u>	
		<u>58,520</u>			<u>58,520</u>	
360.2	Accumulated Depreciation - Collection Sewers - Force	<u>67,385</u>	360	Collection Sewers - Force	<u>67,385</u>	
		<u>67,385</u>			<u>67,385</u>	
361.2	Accumulated Depreciation - Collection Sewers - Gravity	<u>157,725</u>	361	Collection Sewers - Gravity	<u>157,550</u>	
		<u>157,725</u>		Plus: Commission Ordered Adjustment	<u>175</u>	
					<u>157,725</u>	
363.2	Accumulated Depreciation - Services to Customers	<u>40,288</u>	363	Services to Customers	<u>40,288</u>	
		<u>40,288</u>			<u>40,288</u>	
380.4	Accumulated Depreciation - Treatment & Disposal Equipment	<u>221,921</u>	380	Treatment & Disposal Equipment	<u>281,651</u>	
		<u>221,921</u>		Less: Commission Ordered Adjustment	<u>(59,730)</u>	
					<u>221,921</u>	
389.4	Other Plant & Miscellaneous Equipment	<u>123,471</u>	389	Other Plant Miscellaneous Equipment	<u>123,471</u>	
		<u>123,471</u>			<u>123,471</u>	
390.7	Accumulated Depreciation - Tools, Shop, & Garage Equipment	<u>5,033</u>	393	Tools, Shop, & Miscellaneous Equipment	<u>2,818</u>	
		<u>5,033</u>		Plus: Commission Ordered Adjustment	<u>2,215</u>	
					<u>5,033</u>	
394.5	Accumulated Depreciation - Laboratory Equipment	<u>1,741</u>	394	Laboratory Equipment	<u>1,741</u>	
		<u>1,741</u>			<u>1,741</u>	
396.7	Accumulated Depreciation - Communication Equipment	<u>1,868</u>	396	Communication Equipment	<u>1,868</u>	
		<u>1,868</u>			<u>1,868</u>	
Total		\$ 677,952	Total		\$ 677,952	

EXHIBIT
E

Net Depreciation Expenses - Water

Florida Public Service Commission

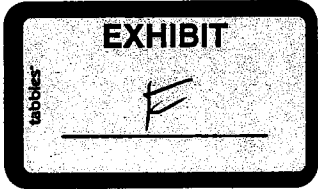
Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Interim [] or Final [x]
 Historic [x] or Projected []

Schedule: B-13 Revised
 Page 1 of 1
 Preparer: Virchow, Krause
 Recap Schedules:

Explanation: Provide a schedule of test year non-used and useful depreciation expense by primary account.

	(1)	(2)	(3)	(4)	(5)	(6)
No.	Line Account No. and Name	Test Year 12/31/2005	Adjustments	Adjusted Balance	Non-Used & Useful %	Non-Used & Useful Amount
1	INTANGIBLE PLANT					
2	301.1 Organization	\$ -	\$ -	\$ -	0%	\$ -
3	302.1 Franchises	-	-	-	0%	-
4	339.1 Other Plant & Misc. Equipment	-	-	-	0%	-
5	SOURCE OF SUPPLY AND PUMPING PLANT	-	-	-	0%	-
6	303.2 Land & Land Rights	-	-	-	0%	-
7	304.2 Structures & Improvements	2,095	-	2,095	0%	-
8	305.2 Collect. & Impound. Reservoirs	-	-	-	0%	-
9	306.2 Lake, River & Other Intakes	-	-	-	0%	-
10	307.2 Wells & Springs	1,945	-	1,945	0%	-
11	308.2 Infiltration Galleries & Tunnels	-	-	-	0%	-
12	309.2 Supply Mains	-	-	-	0%	-
13	310.2 Power Generation Equipment	-	-	-	0%	-
14	311.2 Pumping Equipment	7,982	-	7,982	0%	-
15	339.2 Other Plant & Misc. Equipment	-	-	-	0%	-
16	WATER TREATMENT PLANT	-	-	-	0%	-
17	303.3 Land & Land Rights	-	-	-	0%	-
18	304.3 Structures & Improvements	-	-	-	0%	-
19	320.3 Water Treatment Equipment	639	-	639	0%	-
20	339.3 Other Plant & Misc. Equipment	-	-	-	0%	-
21	TRANSMISSION AND DISTRIBUTION PLANT	-	-	-	0%	-
22	303.4 Land & Land Rights	-	-	-	0%	-
23	304.4 Structures & Improvements	-	-	-	0%	-
24	330.4 Distr. Reservoirs & Standpipes	2,270	-	2,270	0%	-
25	331.4 Transm. & Distribution Mains	10,581	-	10,581	0%	-
26	333.4 Services	5,625	-	5,625	0%	-
27	334.4 Meters & Meter Installations	6,712	-	6,712	0%	-
28	335.4 Hydrants	1,685	-	1,685	0%	-
29	339.4 Other Plant & Misc. Equipment	-	-	-	0%	-
30	GENERAL PLANT	-	-	-	0%	-
31	303.5 Land & Land Rights	-	-	-	0%	-
32	304.5 Structures & Improvements	-	-	-	0%	-
33	340.5 Office Furniture & Equipment	-	-	-	0%	-
34	341.5 Transportation Equipment	11,981	-	11,981	0%	-
35	342.5 Stores Equipment	-	-	-	0%	-
36	343.5 Tools, Shop & Garage Equipment	1,839	-	1,839	0%	-
37	344.5 Laboratory Equipment	390	-	390	0%	-
38	345.5 Power Operated Equipment	-	-	-	0%	-
39	346.5 Communication Equipment	-	-	-	0%	-
40	347.5 Miscellaneous Equipment	-	-	-	0%	-
41	348.5 Other Tangible Plant	3,148	-	3,148	0%	-
42	TOTAL	56,892	-	56,892		-
43	Less: Amortization of CIAC	9,023	-	9,023	0%	-
44	NET DEPRECIATION EXPENSE - WATER	\$ 47,869	\$ -	\$ 47,869		\$ -

Recap: Schedules: B-1



Net Depreciation Expenses - Sewer

Florida Public Service Commission

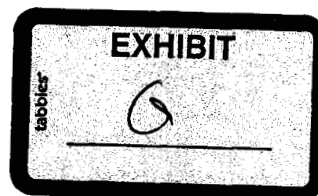
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Explanation: Provide a schedule of test year non-used and useful depreciation expense by primary account.

No.	(1) Line Account No. and Name	(2) Test Year 12/31/2005	(3) Adjustments	(4) Adjusted Balance	(5) Non-Used & Useful %	(6) Non-Used & Useful Amount
1	INTANGIBLE PLANT	\$ -	\$ -	\$ -	0%	\$ -
2	351.1 Organization	-	-	-	0%	-
3	352.1 Franchises	-	-	-	0%	-
4	389.1 Other Plant & Misc. Equipment	-	-	-	0%	-
5	COLLECTION PLANT	-	-	-	0%	-
6	353.2 Land & Land Rights	-	-	-	0%	-
7	354.2 Structures & Improvements	2,954	-	2,954	0%	-
8	360.2 Collection Sewers - Force	5,960	-	5,960	0%	-
9	361.2 Collection Sewers - Gravity	13,260	-	13,260	0%	-
10	362.2 Special Collecting Structures	-	-	-	0%	-
11	363.2 Services to Customers	5,391	-	5,391	0%	-
12	364.2 Flow Measuring Devices	-	-	-	0%	-
13	365.2 Flow Measuring Installations	-	-	-	0%	-
14	375.2 Reuse Services	-	-	-	0%	-
15	389.2 Other Plant & Misc. Equipment	-	-	-	0%	-
16	SYSTEM PUMPING PLANT	-	-	-	0%	-
17	353.3 Land & Land Rights	-	-	-	0%	-
18	354.3 Structures & Improvements	-	-	-	0%	-
19	370.3 Receiving Wells	-	-	-	0%	-
20	371.3 Pumping Equipment	-	-	-	0%	-
21	389.3 Other Plant & Misc. Equipment	-	-	-	0%	-
22	TREATMENT AND DISPOSAL PLANT	-	-	-	0%	-
23	353.4 Land & Land Rights	-	-	-	4.34%	-
24	354.4 Structures & Improvements	-	-	-	4.34%	-
25	380.4 Treatment & Disposal Equipment	28,159	-	28,159	4.34%	1,223
26	381.4 Plant Sewers	-	-	-	4.34%	-
27	382.4 Outfall Sewer Lines	-	-	-	4.34%	-
28	389.4 Other Plant & Misc. Equipment	10,266	-	10,266	4.34%	446
29	GENERAL PLANT	-	-	-	0%	-
30	353.5 Land & Land Rights	-	-	-	0%	-
31	354.5 Structures & Improvements	-	-	-	0%	-
32	390.5 Office Furniture & Equipment	-	-	-	0%	-
33	391.5 Transportation Equipment	-	-	-	0%	-
34	392.5 Stores Equipment	-	-	-	0%	-
35	393.5 Tools, Shop & Garage Equipment	592	-	592	0%	-
36	394.5 Laboratory Equipment	461	-	461	0%	-
37	395.5 Power Operated Equipment	-	-	-	0%	-
38	396.5 Communication Equipment	288	-	288	0%	-
39	397.5 Miscellaneous Equipment	-	-	-	0%	-
40	398.5 Other Tangible Plant	-	-	-	0%	-
41	398.5 Other Tangible Plant	-	-	-	0%	-
42	398.5 Other Tangible Plant	-	-	-	0%	-
43	TOTAL	67,331	-	67,331		1,669
44	Less: Amortization of CIAC	22,352	-	22,352	0%	-
45	NET DEPRECIATION EXPENSE - SEWER	\$ 44,979	\$ -	\$ 44,979		\$ 1,669

Recap: Schedules: B-2



Requested Cost of Capital

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
Docket No.: 060257-WS
Test Year End: December 31, 2005
Schedule Year End: December 31, 2005
Interim [] or Final [x]
Historic [x] or Projected []

Schedule: D-1 Revised
Page 1 of 1
Preparer: Kirsten E. Weeks

Explanation: Provide a schedule which calculates the requested Cost of Capital on a beginning and end of year average basis. If a year-end basis is used, submit an additional schedule reflecting year-end calculations.

Line No.	(1) Class of Capital	(2) Total Capital	(3) Ratio	(4) Cost Rate	(5) Weighted Cost
1	Long Term Debt	\$ 1,013,073	54.84%	6.81%	3.73%
2	Short Term Debt	92,671	5.02%	2.00%	0.10%
3	Preferred Stock	-	0.00%	0.00%	0.00%
4	Common Equity	741,464	40.14%	11.77%	4.72%
5	Customer Deposits	12,150	0.00%	6.00%	0.00%
6	Tax Credits - Zero Cost	-	0.00%	0.00%	0.00%
7	Tax Credits - Weighted Cost	-	0.00%	0.00%	0.00%
8	Accumulated Deferred Income Tax	22,295	0.00%	0.00%	0.00%
9	Other (Explain)	-	0.00%	0.00%	0.00%
10	Total	<u>\$ 1,881,653</u>	<u>100%</u>		<u>8.56%</u>

Note: The cost of equity is based on the leverage formula in effect pursuant to Order No. PSC-050006. Since the equity ratio is greater than 40.00%, a(n) 11.77% cost rate has been used.

Note: Long term debt, short term debt, preferred stock, and common equity are actual for Cypress Lakes Utilities, Inc.'s parent company, Utilities, Inc.

Cypress Lakes

A-18

Line No.	(1) Assets	(2) Test Year 12/31/2005	(3) Prior Year 12/31/2004	Average
24	Accum. Deferred Income Tax	9,419	8,305	8,862

A-19

Line No.	(1) Equity Capital & Liabilities	(2) Test Year 12/31/2005	(3) Prior Year 12/31/2004	Average
28	Accumulated Deferred Income Taxes	23,605	38,708	31,157
	Net Accumulated Def. Income Taxes	14,186	30,403	22,295

D-1

Line No.	(1) Class of Capital	(2) Total Capital
8	Accumulated Deferred Income Tax	22,295

D-2

Line No.	(1) Class of Capital	(2) Prior Year 12/31/2004	(3) Test Year 12/31/2005	(4) Average
8	Accumulated Deferred Income Taxes	30,403	14,186	22,295

Reconciliation of Capital Structure to Rate Base

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Schedule Year End: December 31, 2005
 Utility or Parent
 Interim or Final
 Historic or Projected

Schedule: D-2 Revised
 Page 1 of 1
 Preparer: Kirsten E. Weeks

Explanation: Provide a reconciliation of the simple average capital structure to requested rate base. Explain all adjustments. Submit an additional schedule if a year-end basis is used.

Line No.	Class of Capital	(1)	(2)	(3)	(4)	Reconciliation Adjustments		(7)
		Prior Year 12/31/2004	Test Year 12/31/2005	Average	Pro Rata	Prorata %	To Requested Rate Base	
1	Long Term Debt	\$ 112,803,215	\$ 135,285,191	\$ 124,044,203	\$ (123,031,130)	54.84%	\$ 1,013,073	
2	Short Term Debt	18,768,000	3,926,000	11,347,000	(11,254,329)	5.02%	92,671	
3	Preferred Stock	-	-	-	-	0.00%	-	
4	Common Equity	88,963,597	92,611,247	90,787,422	(90,045,958)	40.14%	741,464	
5	Customer Deposits	10,500	13,800	12,150	-	0.00%	12,150	
6	Tax Credits - Zero Cost	-	-	-	-	0.00%	-	
7	Tax Credits - Weighted Cost	-	-	-	-	0.00%	-	
8	Accumulated Deferred Income Taxes	30,403	14,186	22,295	-	0.00%	22,295	
9	Other (Explain)	-	-	-	-	0.00%	-	
10	Total	\$ 220,575,715	\$ 231,850,424	\$ 226,213,070	\$ (224,331,416)	100.00%	\$ 1,881,653	

Note: Long term debt, short term debt, preferred stock, and common equity are actual for Cypress Lakes Utilities, Inc.'s parent company, Utilities, Inc.

Supporting Schedules: A-18, A-19, C-7, C-8, D-3, D-4, D-5, D-7
 Recap Schedules: D-1



Rate Schedule - Present, Interim, and Final

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.

Schedule: E-1 Revised

Docket No.: 060257-WS

Page 1 of 1

Test Year End: December 31, 2005

Preparer: Virchow, Krause

Schedule Year Ended: December 31, 2005

Water [] or Sewer [x]

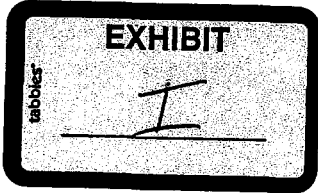
Interim [] or Final [x]

Historic [x] or Projected []

Explanation: Provide a schedule of present and proposed rates. State residential sewer cap, if one exists.

Line No.	(1) Class/Meter Size	(2) Test Year Rates	(3) Interim Rates	(4) Proposed Rates
<u>Water</u>				
1	67201 All Residential/multi-Res Base Charge	\$ 6.49	\$ 6.88	\$ 8.73
2	67204 5/8" General Service Base Charge	6.49	6.88	8.73
3	67210 1" General Service Base Charge	16.22	17.20	21.81
4	67212 1.5" General Service Base Charge	32.44	34.39	43.63
5	- 2" General Service Base Charge	51.89	55.03	69.81
6	- 3" General Service Base Charge	103.78	110.06	139.61
7	- 4" General Service Base Charge	162.51	171.97	218.15
8	- 6" General Service Base Charge	324.31	343.94	436.29
9	67205 5/8" G.S. Irrigation Base Charge	6.49	6.88	8.73
10	67211 1" G.S. Irrigation Base Charge	16.22	17.20	21.81
11	67214 1.5" G.S. Irrigation Base Charge	32.44	34.39	43.63
12	67215 2" G.S. Irrigation Base Charge	51.89	55.03	69.81
13				
14	Gallonage Charge per 1,000 Gallons			
15	67201 All Residential/Multi Res (First 6,000 Gal)	2.47	2.75	3.47
16	67201 All Residential/Multi Res (Next 6,000 Gal)	3.72	4.13	5.20
17	67201 All Residential/Multi Res (Over 12,000 Gal)	4.95	5.50	6.93
18	67204 5/8" General Service	2.69	2.99	3.81
19	67210 1" General Service	2.69	2.99	3.81
20	67212 1.5" General Service	2.69	2.99	3.81
21	- 2" General Service	2.69	2.99	3.81
22	- 3" General Service	2.69	2.99	3.81
23	- 4" General Service	2.69	2.99	3.81
24	- 6" General Service	2.69	2.99	3.81
25	67205 5/8" Irrigation	2.69	2.99	3.81
26	67211 1" Irrigation	2.69	2.99	3.81
27	67214 1.5" Irrigation	2.69	2.99	3.81
28	67215 2" Irrigation	2.69	2.99	3.81
29				
30	<u>Wastewater (1)</u>			
31				
32	67221 5/8" Residential Base Charge	14.36	11.19	13.33
33	67229 5/8" General Service Base Charge	14.36	11.19	13.33
34	67230 1" General Service Base Charge	35.92	27.98	33.32
35	67232 1.5" General Service Base Charge	71.86	55.96	66.64
36	- 2" General Service Base Charge	114.97	89.53	106.62
37	- 3" General Service Base Charge	229.93	179.06	213.24
38	- 4" General Service Base Charge	359.26	279.79	333.18
39	- 6" General Service Base Charge	718.53	559.57	666.36
40				
41				
42				
43	Gallonage Charge per 1,000 Gallons			
44	67221 5/8" Residential (8,000 Gal. Cap)	2.92	5.35	6.37
45	67229 5/8" General Service	3.50	6.42	7.64
46	67230 1" General Service	3.50	6.42	7.64
47	67232 1.5" General Service	3.50	6.42	7.64
48	- 2" General Service	3.50	6.42	7.64
49	- 3" General Service	3.50	6.42	7.64
50	- 4" General Service	3.50	6.42	7.64
51	- 6" General Service	3.50	6.42	7.64

(1) Residential class customers have maximum monthly gallonage charge of 8,000 gallons.



CYPRESS LAKES UTILITIES, INC.
WATER TARIFF

(Continued from Sheet No. 10.0)

Notwithstanding the above, the Company reserves the right to inspect the Customer's installation prior to rendering water service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

- 12.0 PROTECTION OF COMPANY'S PROPERTY - The Customer shall exercise reasonable diligence to protect the Company's property on the Customer's premises, and shall knowingly permit no one but the Company's agents or persons authorized by law to have access to the Company's pipes and apparatus. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code.

In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.

- 13.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property and other purposes incidental to performance or termination of the Company's agreement with the Customer and such performance shall not be liable for trespass. If reasonable access is not provided, service may be discontinued pursuant to the above rule.

- 14.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of water service.

- 15.0 BILLING PERIODS - Bills for water service will be rendered monthly and are due when rendered and shall be considered as received by the Customer when delivered or mailed to the water service address or some other place mutually agreed upon.

Non-receipt of bills by the Customer shall not release or diminish the obligation of the Customer with respect to the payment thereof.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

- 16.0 DELINQUENT BILLS - When it has been determined that a Customer is delinquent in paying any bill, water service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code. Service will be resumed only upon payment of all past-due bills and penalties, together with the appropriate reconnection charge. There shall be no liability of any kind against the Company by reason of discontinuance of water service to the Customer for failure of the Customer to pay the bills on time.

(Continued on Sheet No. 12.0)

Lawrence N. Schumacher
ISSUING OFFICER
President
TITLE

CYPRESS LAKES UTILITIES, INC.
WATER TARIFF

27.0 The Company shall file with the Commission copies of all Guaranteed Revenue contracts or special contracts for the sale of its product or services in a manner not specifically covered by its standard regulations or approved rate schedules prior to execution.

28.0 Miscellaneous Service Charges

The following charges have been determined to be appropriate for services other than those provided for above:

Reconnection

	During Regular Business Hours	After Regular Business Hours
Initial Connection	\$15.00	\$22.50
Normal Reconnection	\$15.00	\$22.50
Violation Reconnection	\$25.00	\$37.50
Premise Visit Charge In Lieu of Disconnection	\$15.00	\$22.50

INITIAL CONNECTION - This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

VIOLATION RECONNECTION - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Charges for Returned Check and ACH Fees

\$25.00

EFFECTIVE DATE -

TYPE OF FILING -

Lawrence N. Schumacher
ISSUING OFFICER
President
TITLE

CYPRESS LAKES UTILITIES, INC.
 WATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

<u>Description</u>	Refer to Service Availability Policy	<u>Amount</u>	<u>Sheet No./Rule No.</u>
<u>Back-Flow Preventor Installation Fee</u>			
5/8" x 3/4"		\$	
1"		\$	
1 1/2"		\$	
2"		\$	
Over 2"		\$	
<u>Customer Connection (Tap-in) Charge</u>			
5/8" x 3/4" metered service		\$	
1" metered service		\$	
1 1/2" metered service		\$	
2" metered service		\$	
Over 2" metered service		\$	
<u>Guaranteed Revenue Charge</u>			
With Prepayment of Service Availability Charges:			
Residential-per ERC/month (__ GPD)		\$	
All others-per gallon/month		\$	
Without Prepayment of Service Availability Charges:			
Residential-per ERC/month (__ GPD)		\$	
All others-per gallon/month		\$	
<u>Inspection Fee</u>		\$ ¹	
<u>Main Extension Charge</u>			
Residential-per ERC (__ GPD)		\$	
All others-per gallon		\$	
or			
Residential-per lot (__ foot frontage)		\$	
All others-per front foot		\$	
<u>Meter Installation Fee</u>			
5/8" x 3/4"		\$125.00	
1"		\$ ¹	
1 1/2"		\$ ¹	
2"		\$ ¹	
Over 2"		\$ ¹	
<u>Plan Review Charge</u>		\$ ¹	
<u>Plant Capacity Charge</u>			
Residential-per ERC (__ GPD)		\$	
All others-per gallon		\$	
<u>System Capacity Charge</u>			
Residential-per ERC (__ GPD)		\$	
All others-per gallon		\$	

¹Actual Cost is equal to the total cost incurred for services rendered.

EFFECTIVE DATE -

TYPE OF FILING -

Lawrence N. Schumacher
 ISSUING OFFICER
President
 TITLE

CYPRESS LAKES UTILITIES, INC.
WASTEWATER TARIFF

(Continued from Sheet No. 10.0)

- 13.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property and other purposes incidental to performance or termination of the Company's agreement with the Customer and such performance shall not be liable for trespass. If reasonable access is not provided, service may be discontinued pursuant to the above rule.
- 14.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of wastewater service.
- 15.0 BILLING PERIODS - Bills for wastewater service will be rendered monthly and are due when rendered and shall be considered as received by the Customer when delivered or mailed to the wastewater service address or some other place mutually agreed upon.

Non-receipt of bills by the Customer shall not release or diminish the obligation of the Customer with respect to the payment thereof.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

- 16.0 DELINQUENT BILLS - When it has been determined that a Customer is delinquent in paying any bill, water service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code. Service will be resumed only upon payment of all past-due bills and penalties, together with the appropriate reconnection charge. There shall be no liability of any kind against the Company by reason of discontinuance of wastewater service to the Customer for failure of the Customer to pay the bills on time.

No partial payment of any bill rendered will be accepted by the Company except by written agreement with the Company, or by order of the Commission.

- 17.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any wastewater service bill rendered by the Company to a wastewater service customer shall not be accepted by the Company without the simultaneous or concurrent payment of any water service bill rendered by the Company. If the charges for wastewater service are not so paid, the Company may discontinue both water and wastewater service to the Customer's premises for nonpayment of the wastewater service bill.

(Continued on Sheet No. 12.0)

Lawrence N. Schumacher
ISSUING OFFICER
President _____
TITLE

CYPRESS LAKES UTILITIES, INC.
WASTEWATER TARIFF

The Company will pay or credit accrued interest to the Customer's account during the first billing period of each year.

Upon final settlement of the Customer's account, any unused balance of the deposit will be refunded. Refund is contingent upon surrender to the Company of the applicable deposit receipt or, when the receipt cannot be produced, upon adequate identification.

Notwithstanding the above, the Company may hold the deposit of a non residential customer after a continuous service period of 23 months and shall pay interest on such non residential customer's deposit at a rate of 7% per annum upon the retainment of such deposit.

24.0 The Company shall file with the Commission copies of all Guaranteed Revenue contracts or special contracts for the sale of its product or services in a manner not specifically covered by its standard regulations or approved rate schedules prior to execution.

28.0 Miscellaneous Service Charges

The following charges have been determined to be appropriate for services other than those provided for above:

Reconnection

	During Regular Business Hours	After Regular Business Hours
Initial Connection	\$15.00	\$22.50
Normal Reconnection	\$15.00	\$22.50
Violation Reconnection	\$25.00	\$37.50
Premise Visit Charge In Lieu of Disconnection	\$15.00	\$22.50

INITIAL CONNECTION - This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

(Continued on Sheet No. 14.1)

EFFECTIVE DATE -

TYPE OF FILING -

Lawrence N. Schumacher
ISSUING OFFICER
President
TITLE

CYPRESS LAKES UTILITIES, INC.
WASTEWATER TARIFF

(Continued from Sheet No. 14.0)

VIOLATION RECONNECTION - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Charges for Returned Check and ACH Fees

\$25.00

EFFECTIVE DATE -

TYPE OF FILING -

Lawrence N. Schumacher
ISSUING OFFICER
President _____
TITLE

CYPRESS LAKES UTILITIES, INC.
WASTEWATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

<u>Description</u>	Refer to Service Availability Policy	<u>Amount</u>	<u>Sheet No./Rule No.</u>
<u>Back-Flow Preventor Installation Fee</u>			
5/8" x 3/4"		\$	
1"		\$	
1 1/2"		\$	
2"		\$	
Over 2"		\$	
<u>Customer Connection (Tap-in) Charge</u>			
5/8" x 3/4" metered service		\$	
1" metered service		\$	
1 1/2" metered service		\$	
2" metered service		\$	
Over 2" metered service		\$	
<u>Guaranteed Revenue Charge</u>			
With Prepayment of Service Availability Charges:			
Residential-per ERC/month (__ GPD)		\$	
All others-per gallon/month		\$	
Without Prepayment of Service Availability Charges:			
Residential-per ERC/month (__ GPD)		\$	
All others-per gallon/month		\$	
<u>Inspection Fee</u>		\$ ¹	
<u>Main Extension Charge</u>			
Residential-per ERC (__ GPD)		\$	
All others-per gallon		\$ ¹	
or			
Residential-per lot (__ foot frontage)		\$	
All others-per front foot		\$	
<u>Meter Installation Fee</u>			
5/8" x 3/4"		\$	
1"		\$	
1 1/2"		\$	
2"		\$	
Over 2"		\$	
<u>Plan Review Charge</u>		\$ ¹	
<u>Plant Capacity Charge</u>			
Residential-per ERC (__ GPD)		\$	
All others-per gallon		\$	
<u>System Capacity Charge</u>			
Residential-per ERC (__ GPD)		\$	
All others-per gallon		\$	

¹Actual Cost is equal to the total cost incurred for services rendered.

EFFECTIVE DATE -

TYPE OF FILING -

Lawrence N. Schumacher
ISSUING OFFICER
President
TITLE

FIRST REVISED SHEET NO. 21.0
CANCELS ORIGINAL SHEET NO. 21.0

CYPRESS LAKES UTILITIES, INC.
WASTEWATER TARIFF

INDEX OF STANDARD FORMS

	<u>Sheet No.</u>
APPLICATION FOR WASTEWATER SERVICE	22.0
COPY OF CUSTOMER'S BILL	23.0

CYPRESS LAKES UTILITIES, INC.
WASTEWATER TARIFF

APPLICATION FOR WASTEWATER SERVICE

Sample Application Form

Name _____ Telephone Number _____

Billing Address _____

City _____ State _____ Zip _____

Service Address _____

City _____ State _____ Zip _____

Date service should begin _____

Service requested: Water _____ Wastewater _____ Both _____

By signing this agreement, the Customer agrees to the following:

1. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service; the Company reserves the right to discontinue or withhold water service to such apparatus or device.
2. The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business for any of the reasons contained in Rule 25-30.320, Florida Administrative Code. Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
3. The Customer agrees to abide by all existing Company Rules and Regulations as contained in the tariff. In addition, the Customer has received from the Company a copy of the brochure "Your Water and Wastewater Service" produced by the Florida Public Service Commission.
4. Bills for water service will be rendered monthly, as stated in the rate schedule. Bills must be paid within 20 days of mailing bills. If payment is not made after five working days written notice, service may be discontinued.
5. When a Customer wishes to terminate service on any premises where water and/or wastewater service is supplied by the Company, the Company may require (oral, written) notice within ____ days prior to the date the Customer desires to terminate service.

Signature

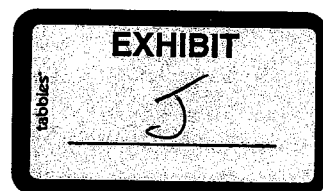
Date

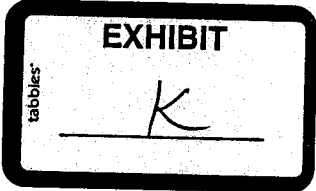
CYPRESS LAKES UTILITIES, INC.
WASTEWATER TARIFF

ORIGINAL SHEET NO. 23.0

COPY OF CUSTOMER'S BILL

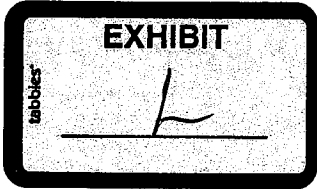
MAPS FORWARD EP
TO ECR





CYPRESS LAKES UTILITIES, INC.
CHEMICAL USE DATA
TEST YEAR: 2005

County	System Name	Chemical Used	Water Treatment	Wastewater Treatment	Unit Price
POLK	CYPRESS LAKES	Sodium hypochlorite	8-10 gpd	15-20 gpd	1.15/ gal



PH
cc: BR
with
enclos



Jeb Bush
Governor

John O. Agwunobi, M.D., MBA
Secretary

PUBLIC WATER SYSTEM CONSTRUCTION PERMIT

PERMITTEE:

Donald Rasmussen
200 Weathersfield Ave.
Altamonte Springs, FL 32714

PERMIT DATA:

Project Name:	WTP Conversion to Sodium Hypochlorite
Approval Number:	5302-5055-A11
Water System Name:	Cypress Lakes
PWS I.D. Number:	6535055
Project Number:	162866-003
Date of Issue:	December 13, 2002
Date of Expiration:	December 12, 2003
County:	Polk
Township:	26S
Section:	34
Range:	23E

This permit is issued under the provisions of *Chapter 403, Florida Statutes and Florida Administrative Code Rules 62-4, 62-602, 62-550, 62-555 and 62-560*. The above named permittee is hereby authorized to perform the work on the facility shown on the application and approved drawings, plans, and other documents, attached hereto or on file with the Department and made a part here of and described as follows: The project consists of conversion of WTP from gaseous to liquid chlorine disinfection.

General conditions are as required under *Chapter 62-4.160* of the *Florida Administrative Code*.

EJJ/adh

Cc: David Weber, PE -- PBS&J
Permit File Copy – Cypress Lakes

POLK COUNTY HEALTH DEPARTMENT

Daniel O. Haight, MD
Director

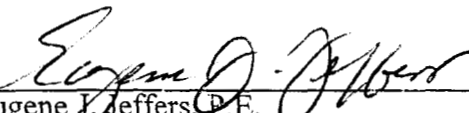
Environmental Engineering Division
2090 East Clower Street, Bartow, FL 33830-6741
Phone (863) 519-8330 / SC 515-7365 / Fax (863) 534-0245

Lynne Saddler, MD, MPH
Assistant Director

SPECIFIC CONDITIONS:

1. Construction of this project must be completed within one (1) year from the date of this approval. Re-approval of expired permits will be considered by this Department upon written request prior to the expiration date accompanied by the current application fee. The engineer of record in this application is responsible for supervision of the construction of this project and upon completion shall inspect for complete conformity to the plans and specifications as approved. A report of such inspection in writing and signed by the engineer shall be rendered to the DOH Polk County Health Department. Major deviations from the original plan will require a complete resubmittal of the project to this Department.
2. This approval is given with the understanding that upon the installation of such works, its operations shall be placed under the care of a competent person, whose qualifications are approved by the Department and the operation shall be carried out according to best accepted practice and in accordance with the requirements of the rules and regulations of the Department. This includes not only the provision of continuing essential funds for operation and maintenance of chemical supplies for plant operation; but also the funds for maintenance of this water treatment facility and distribution system.
3. Water supply facilities including mains shall be installed, cleaned, disinfected, and bacteriologically cleared for service, in accordance with the latest applicable AWWA Standards and Department rules and regulations.
4. Copy of the pressure test conducted on the water system to be cleared or statement of the engineer that the test was done and met the AWWA requirements.
5. An as-built review fee of \$75.00 made payable to Polk County Health Department must be included with this package before a clearance can be issued.
6. Where water and sewer mains cross with less than 18" vertical clearance, the sewer will be 20' of either cast iron pipe or concrete encased vitrified clay pipe, centered on the point of crossing. When a water main parallels a sewer main, a separation of at least 10' should be maintained where practical.
7. Satisfactory bacteriological main clearance samples must be submitted for two (2) consecutive days from **plant discharge**.

Issued this 13th day of December, 2002.




Eugene J. Jeffers, P.E.
Administrator
Environmental Engineering

CERTIFICATE OF SERVICE

This is to certify that this permit and all copies were mailed before the close of business on
December 13, 2002 to the listed persons.

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to Chapter 120.52(10), Florida
Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.



Aubrey Haynes

12-13-02
Date

Cc: David Weber, PE -- PBS&J
Permit File – Cypress Lakes



Jeb Bush
Governor

John O. Agwunobi, M.D., MBA
Secretary

NOTICE OF PERMIT ISSUANCE

WTP Conversion to Sodium Hypochlorite

Donald Rasmussen
200 Weathersfield Ave.
Altamonte Springs, FL 32714

Dear Mr. Rasmussen:

This will acknowledge receipt of plans and related documents pertaining to the above referenced water supply project. Effective December 13, 2002, the above referenced project plans and documents are approved under Serial Number 5302-5055-A11 for WTP Conversion to Sodium Hypochlorite. A copy of the permit is attached stating the general and specific conditions that must be complied with.

A person whose substantial interests are affected by this permit may petition for an administrative proceeding (hearing) accordance with *Section 120.57, Florida Statutes*. The petition must contain the information set forth below and must be filed (received) in the office of General Counsel of the Department at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400, within 14 days of receipt of this Permit. Petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. Failure to file a petition within this time period shall constitute a waiver of any right such person may have to request an administrative determination (hearing) under *Section 120.57, Florida Statutes*.

- (a) The name, address, and telephone number of each petitioner, the applicant's name and address, the Department Permit File Number and the county in which the project is proposed action;
- (b) A statement of how and when each petitioner received notice of the Department's action or proposed action;
- (c) A statement of how each petitioner's substantial interests are affected by the Department's action or proposed action;
- (d) A statement of the material facts disputed by Petitioner, if any;
- (e) A statement of facts which petitioner contends warrant reversal or modification of the Department's action or proposed action;
- (f) A statement of which rules or statutes petitioner contends require reversal or modification of the Department's action or proposed action; and
- (g) A statement of the relief sought by petitioner, stating precisely the action petitioner wants the Department to take with respect to the Department's action or proposed action.

POLK COUNTY HEALTH DEPARTMENT

Daniel O. Haight, MD
Director

Environmental Engineering Division
2090 East Clower Street, Bartow, FL 33830-6741
Phone (863) 519-8330 / SC 515-7365 / Fax (863) 534-0245

Lynne Saddler, MD, MPH
Assistant Director

If a petition is filed, the administrative hearing process is designed to formulate agency action. Accordingly, the Department's final action may be different from the position taken by it in this permit. Persons whose substantial interests will be affected by any decision of the Department with regard to the application have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 14 days of receipt of this notice in the office of General Counsel at the above address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under *Section 120.57, Florida Statutes*, and to participate as a party to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to *Rule 28-5.207, Florida Administrative Code*.

This permit is final and effective on the date filed with the Clerk of the Department unless:

1. a petition is filed in accordance with the above paragraphs; or
2. a request for extension of time in which to file a petition is filed within the time specified for filing a petition and conforms to *Rule 62-103.070, Florida Administrative Code*.

Upon timely filing of a petition or a request for an extension of time this permit will not be effective until further order of the Department.

When the Order (Permit) is final, any party to the Order has the right to seek judicial review of the Order pursuant to *Section 120.68, Florida Statutes*, by filing a Notice of Appeal pursuant to *Rule 9.110, Florida Rules of Appellate Procedure*, with the Clerk of the Department in the Office of General Counsel, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400; and by filing a copy of the Notice of Appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The Notice of Appeal must be filed within 30 days from the date the Final Order is filed with the Clerk of the Department.

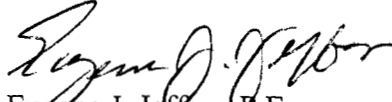
This approval pertains only to the water utilities serving this development and is not to be construed as approval of any other utility aspects. All concerned are reminded that sewerage facilities must be cleared separately through the appropriate Department of Environmental Protection District/Subdistrict office.

By copy of this letter to the owner we are advising that approval is given to functional aspects of this project on the basis of representations to and data furnished this department.

The engineer's certification as to construction of this project in accordance with approved plans together with satisfactory bacteriological analyses for two (2) consecutive days from the locations listed on the permit, shall be provided and a letter of clearance obtained from this Agency before placing these facilities in service. Enclosed please find our form for certification of project construction to be completed and returned upon project completion.

There may be county, municipal or other local regulations or restrictions to be complied with by the owner prior to construction of the facilities presented by the plans referred to above, and we, therefore, recommend that appropriate local agencies be consulted before starting construction.

Sincerely,



Eugene J. Jeffers, P.E.
Administrator
Environmental Engineering

EJJ/adh

Cc: David Weber, PE -- PBS&J
Permit File Copy – Cypress Lakes

GENERAL CONDITIONS

1. The terms, conditions, requirements, limitations, and restrictions set forth in this permit, are "permit conditions" and are binding and enforceable pursuant to Sections 403.141, 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
2. This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocations and enforcement action by the Department.
3. As provided in subsections 403.087(6) and 403.722(5), F.S., the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state, or local laws or regulations. This permit is not a waiver of or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in this permit.
4. This permit conveys no title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
5. This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties. Nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.
6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed and used by the permittee to achieve compliance with the conditions of this permit, are required by the Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.
7. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at reasonable times, access to the premises where the permitted activity is located or conducted to:
 - (a) Have access to and copy any records that must be kept under conditions of the permit;
 - (b) Inspect the facility, equipment, practices, or operations regulated or required under this permit;
and

14. The permittee shall comply with the following:

- (a) Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
- (b) The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least three (3) years from the date of the sample, measure report, or application unless otherwise specified by Department rules.
- (c) Records of monitoring information shall include:
 - 1) The date, exact place, and time of sampling or measurements;
 - 2) The person responsible for performing the sampling or measurements;
 - 3) The dates analyses were performed;
 - 4) The person responsible for performing the analyses;
 - 5) The analytical techniques or methods used;
 - 6) The results of such analyses.

15. When requested by the Department, the permittee shall within a reasonable time furnish any information required by law, which is needed to determine compliance with the permit. If the permittee becomes aware the relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.

EXHIBIT

tabbies

M

**Employees Involved in Cypress Lakes Utilities, Inc. Operations
During Test Year 2005:**

Patrick Flynn, Regional Director: Oversees all operations and employees in Florida.

Rick Retz, Regional Manager: Manages operations and employees for all West Coast operations. West Coast operations include all systems located in South Florida and West Florida.

Tony Wierzbicki, Project Manager: Manages capital projects and developer activity within the West Coast and South Florida Operations areas

Michael T. Dunn, Regional Manager

John G. Holdman, Area Manager

David Ray Rodriguez, Area Manager

Field Employees:

David Shoffstall, Lead Operator ("C" Water License, "C" Wastewater License):
Mr. Shoffstall is responsible for overseeing the day-to-day operations of the Cypress Lakes water and wastewater facilities.
Open – Operator

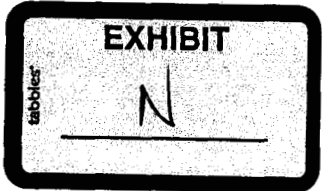
Shantavious Simone Rainey, Operator
Todd David Hiscock, PT Operator

Facilities:

The minimum staffing requirement at the Cypress Lakes wastewater plant is 6 hours per day, 7 days per week and a weekend visit by a minimum Class "C" wastewater operator. The minimum staffing requirement at the Cypress Lakes water treatment plant is ½ hour per day, six days per week.

Duties and Responsibilities:

- a) Responsible for performing treatment plant, collection system and transmission system operation and maintenance. Duties are to be completed in a reasonable and professional manner consistent with standard operating practices in order to comply with state and local regulatory rules and requirements. Must perform duties consistent with the protection of the public health and the environment.
- b) Perform responsible, efficient, and effective on-site management and supervision of all system functions.
- c) Submit complete, accurate and timely periodic plant operating reports.
- d) Report to the Permittee and the Department of Environmental Protection any serious plant or system breakdown or condition causing or likely to cause serious, inefficient or unsafe treatment or discharge of wastewater in a manner not authorized by the current permit.
- e) Submit accurate reports relative to treatment plant, collection system, and transmission system operation, including sampling and laboratory analysis.
- f) Maintain an operation and maintenance log for the plant, current to the last operation and maintenance task performed.
- g) Perform required preventative maintenance in conformance with equipment manufacturer recommendations. Repair or replace plant equipment and collection system components as needed to keep the facilities operating as permitted.
- h) Perform various service order functions including but not limited to the following: customer complaints; reading and checking meters; cross-connection inspections; installing or repairing the collection and disposal systems.
- i) Maintain the visual aesthetics of the facilities in compliance with company standards, including grounds maintenance, fence repairs, site security, lighting fixtures, and general building upkeep.



TITLE PAGE

ABBREVIATED CAPACITY ANALYSIS REPORT

For

CYPRESS LAKES WWTP

POLK COUNTY, FLORIDA

Report Date: April, 2003


Previous Initial Capacity Analysis Report: unknown

DEP FILE NUMBER FLA0013123

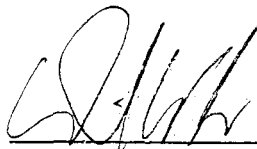
PERMIT REVISION NO. FLA0013123-001-DW2P

Permit Expiration Date: November 8, 2003

CERTIFICATIONS

PERMITEE: 
Patrick C. Flynn, Regional Director
Cypress Lakes Utilities, Inc.
200 Weathersfield Avenue
Altamonte Springs, Florida 32714
(407) 868-1919

Certification: I have reviewed this report and am fully aware of the recommendations included in the report.

PROFESSIONAL ENGINEER:  29323
David Weber, P.E. 5/8/03
PBS&J
2800 Fruitville Road, Suite 300
Sarasota, Florida 34237
(941) 954-4036

Certification: The information contained in this report is true and correct to the best of my knowledge, the report was prepared in accordance with sound engineering principles.

TABLE OF CONTENTS

TITLE PAGE	Page 1
CERTIFICATIONS	Page 2
TABLE OF CONTENTS	Page 3
CHAPTER 1.0 – INTRODUCTION	Page 4
CHAPTER 2.0 – EXISTING CONDITIONS	Page 4
CHAPTER 3.0 – FUTURE CONDITIONS	Page 5
CHAPTER 4.0 – SUMMARY AND CONCLUSIONS	Page 5
ATTACHMENTS (at end of report)	
A	Process Flow Diagram
B	Plant Data

CHAPTER 1.0 INTRODUCTION

The Cypress Lakes WWTP is a 175,000 gpd AADF facility serving a residential subdivision in Polk County located off of US 98. The collection system receives only domestic wastewater. Residential units (population and flow) is approaching buildout.

Cypress Lakes WWTP is owned and operated by Cypress Lakes Utilities, Inc. an affiliate of Utilities, Inc. of Florida which is located at 200 Weathersfield Avenue, Altamonte Springs, Florida 32714.

CHAPTER 2.0 EXISTING CONDITIONS

The treatment facility consists of a flow equalization tank with flow transferred to three treatment trains. The system uses the extended aeration activated sludge process with clarifiers followed by sand filters and chlorine disinfection. The final effluent is discharged to three golf course irrigation ponds for storage and golf course irrigation.

Process units:

Influent screening

Surge tank 48,000 gallons

Aeration Train No.1 at 79,100 gallons with a 240 sf clarifier

Aeration Train No.2 at 79,100 gallons with a 240 sf clarifier

Aeration Train No.3 at 92,000 gallons with a 228 sf clarifier

Three gravity sand filters, two cells 50 sf and one at 40 sf

Two chlorine contact tanks at 5,000 gallons total

Two aerobic residuals holding tanks at 17,000 gallons

Effluent is sampled for turbidity and chlorine residual before entering a golf course irrigation pond for transfer by pumping to the golf course irrigation system.

Waste sludge is treated at an off-site residuals management facility.

The plant operating efficiency is based on CBOD and TSS analysis that shows influent values of CBOD of 100 to 300 mg/L with effluent values of 2 to 3 mg/L, and influent values of TSS of 100 to 300 mg/L with effluent values of 1 to 3 mg/L. Data confirms plant operates within design and permit standards.

Monthly wastewater flows for the past 10 years are attached.

Treatment levels by permit for reuse discharge allow 20 mg/L CBOD, and 5 mg/L total suspended solids. Plant effluent values are well below permit standards.

CHAPTER 3.0 FUTURE CONDITIONS

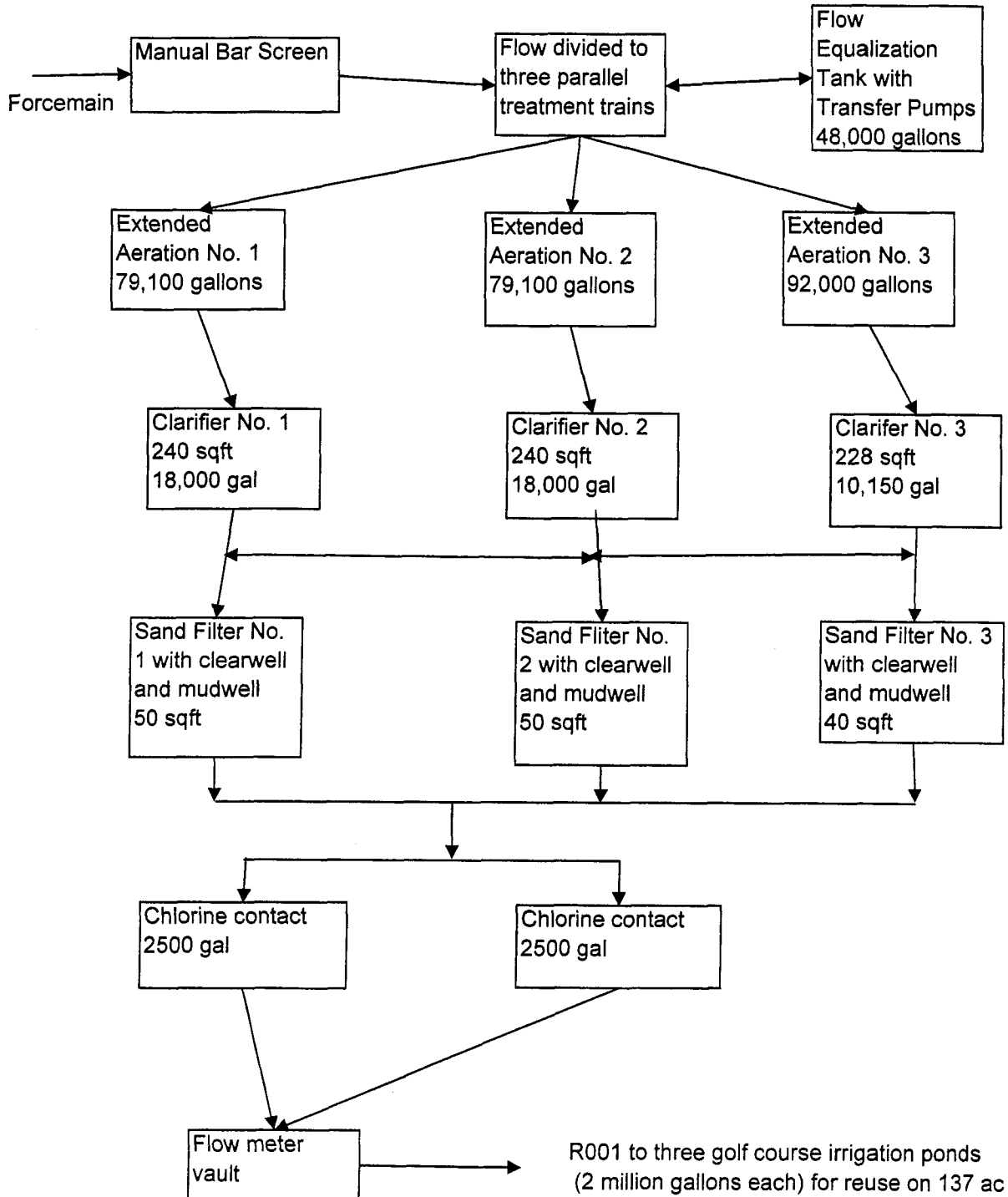
Service area is approaching buildout with 1,180 connections out of 1557. The present flow of 0.120 mgd will increase to 0.160 mgd at buildout which is still below the plant capacity of 0.175 mgd.

CHAPTER 4.0 SUMMARY AND CONCLUSIONS

The facility is meeting permit effluent conditions and flows upon approaching buildout will be below permitted plant capacity.

Cypress Lakes WWTP Process Flow

Plant Capacity 0.175 mgd AADF



CYPRESS LAKES WWTP
 EFFLUENT FLOW RECORDS, MONTHLY AVERAGE DAILY FLOW (mgd)
 PERMIT NO. FLA013123

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
January	0.061	0.066	0.101	0.079		0.089	0.086	0.091	0.098	0.118	0.123
February	0.070	0.068	0.092	0.082		0.070	0.088	0.098	0.104	0.124	0.132
March	0.050	0.082	0.082	0.085		0.080	0.090	0.103	0.110	0.126	0.138
April	0.043	0.064	0.068	0.073	*	0.071	0.077	0.089	0.107	0.109	
May	0.030	0.053	0.058	0.054	*	0.056	0.062	0.070	0.102	0.088	
June	0.026	0.054	0.055	0.052	0.066	0.050	0.063	0.060	0.102	0.105	
July	0.032	0.060	0.049	0.050	0.056	0.051	0.053	0.064	0.111	0.112	
August	0.034	0.056	0.054	0.050	0.064	0.054	0.057	0.063	0.085	0.104	
September	0.038	0.059	0.053		0.066	0.058	**	0.070	0.101	0.104	
October	0.044	0.063	0.058		0.086	0.063	**	0.068	0.099	0.104	
November	0.047	0.072	0.082		0.099	0.073	0.089	0.088	0.105	0.104	
December	0.047	0.065	0.074		0.098	0.033	0.080	0.084	0.103	0.102	
ANN AVG	0.044	0.064	0.069	0.066	0.076	0.062	0.075	0.079	0.102	0.108	

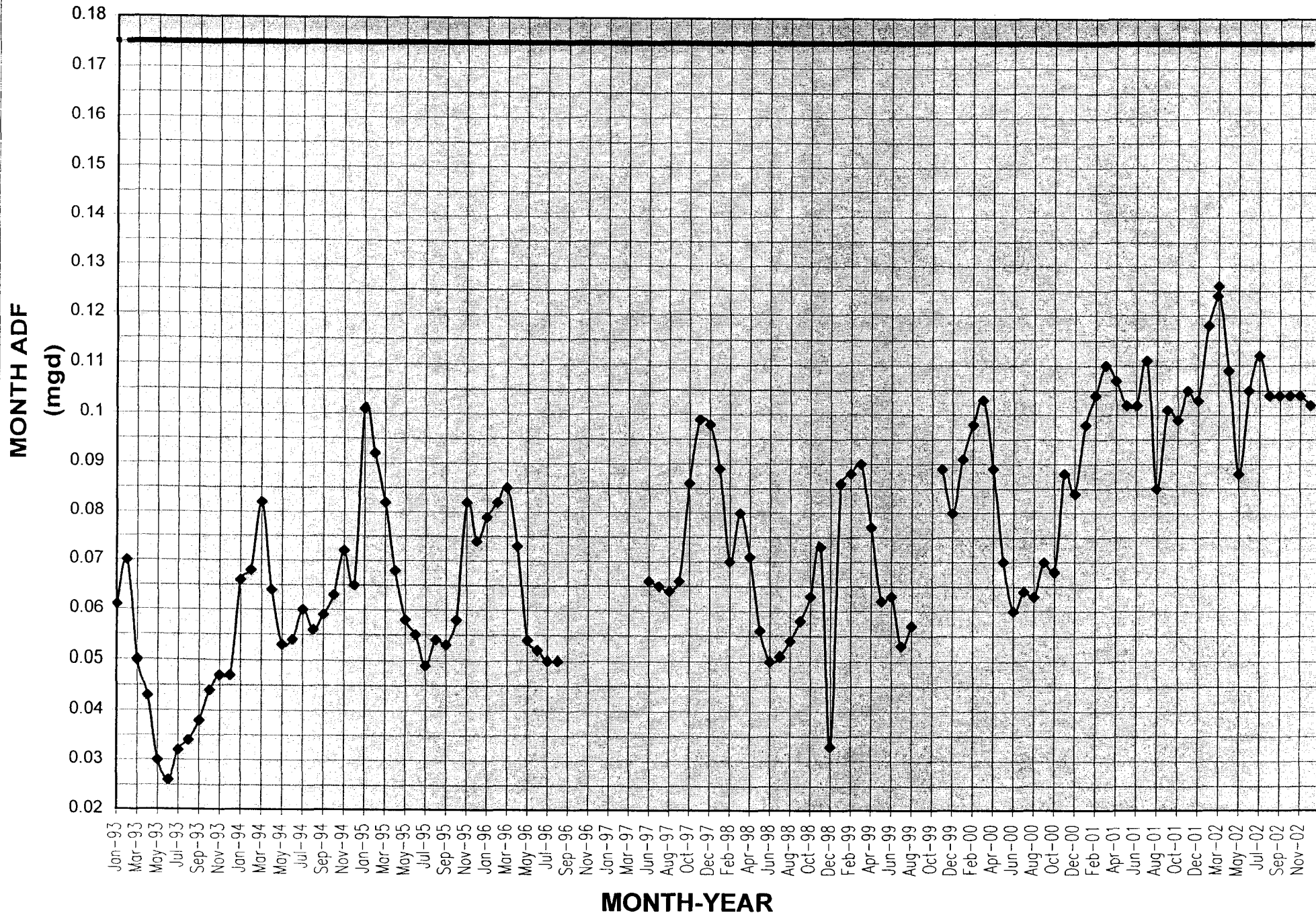
*Flow meter was not working

**Data lost in plant fire

5/1/01-6/30/02: Est. flow, flow transducer was O/S, then replaced

CYPRESS LAKES WWTP PERMIT CAPACITY- 0.175 mgd

MONTHLY AVG. DAILY FLOW, 1993-2002



DAILY SAMPLE RESULTS - PART B

Permit Number: FLA013123

Facility Name: Cypress Lakes WWTP
County: Polk

Month/Year: Sept-02

Three-month Average Daily Flow: 1.075

Daily Flow % of Permitted Capacity: 40%

Code	Flow (MGD) To R-001	CBOD5 (mg/L)	TSS (mg/L)	pH (min/Max)	Fecal Coliform Bacteria (#/100ml)	TSC (For Difficult) (mg/L)	Turbidity	CBOD5 (mg/L)	TSS (mg/L)
Mon. S&S	Calculation	EFA-01	EFB-D1	EPA-01	EFA-01	EFA-01	EFB-01	INF-01	INF-01
1	.100			6.7		5.0	.40		
2	.102		<1	6.7	<1	5.0	.30		
3	.115		<1	6.5	<1	5.0	.38		
4	.102			6.4		5.0	.34		
5	.076		<1	6.6	<1	5.0	.36		
6	.100			6.6		5.0	.33		
7	.083			6.5		5.0	.33		
8	.093			6.7		5.0	.31		
9	.087		<1	6.4	<1	5.0	.30		
10	.102		1.6	6.7	<1	5.0	.44		
11	.086	<2		6.8		5.0	.56	160	260
12	.086		<1	6.5	<1	5.0	.59		
13	.097			6.4		5.0	.59		
14	.107			6.6		5.0	.56		
15	.109			6.8		5.0	.62		
16	.098		2.0	6.7	<1	5.0	.72		
17	.099		<1	6.6	<1	5.0	.56		
18	.092			6.4		5.0	.80		
19	.098		1.6	6.6	<1	5.0	.72		
20	.103			6.5		5.0	.56		
21	.103			6.4		5.0	.74		
22	.094			6.5		5.0	.34		
23	.123		1.8	6.4	<1	5.0	2.0		
24	.112		<1	6.6	<1	5.0	.30		
25	.129	<2		6.6		5.0	.25		
26	.113		<1	6.4	<1	5.0	.26		
27	.114			6.4		5.0	.20		
28	.107			6.8		5.0	.22		
29	.101			6.6		5.0	.22		
30	.102		<1	6.3	<1	5.0	.22		
31									

Date: 10/15/02 # of pages: 6
 From: Patrick Ryan
 Co.:
 Phone #:
 Fax #:
 Post-It® Fax Note 7671
 To: DWG WCBCL
 Co./Dept: B.S.J.
 Phone #:
 Fax #: 941.951.1477

PLANT STAFFING:

Day Shift Operator Class: C Certificate No. 8600 Name: David Ryniak
 Evening Shift Operator Class: B Certificate No. 7294 Name: Todd Hiscock
 Night Shift Operator Class: A Certificate No. 7523 Name: Robb Hudson
 Lead Operator Class: O Certificate No. 8600 Name: David Ryniak

Type of Effluent Disposal or Reclaimed Water Route:
 Limited Wet Weather Discharge Activated: Yes: No: Not Applicable If yes, cumulative days of wet weather

*Attach additional sheets if necessary to list all certified operators.

DAILY SAMPLE RESULTS - PART B

Permit Number: FLA013123

Facility Name: Cypress Lakes WWTP
County: Polk

Three-month Average Daily Flow: D-106

Month of Year: Oct-02

Daily Flow % of Permitted Capacity: 42%

Code	Flow (MGD) To R-001	CODS (mg/L)	TSS (mg/L)	pH (A.S.) Min/Max	Fecal Coliform Bacteria (#/100ml)	TIC (For Disinfect.) (mg/L)	Turbidity	CODS (mg/L)	TSS (mg/L)
Mon. Site	Calculation	EFA-01	EFB-01	EFA-01	EFA-01	SFA-01	EFB-01	INF-01	INF-01
1	.112		<1	6.7	<1	5.0	.20		
2	.094			6.5		5.0	.20		
3	.090		<1	6.7	<1	5.0	.18		
4	.097			6.7		5.0	.19		
5	.092			6.5		5.0	.20		
6	.095			6.4		5.0	.21		
7	.096		<1	6.6	<1	5.0	.18		
8	.107		<1	6.7	<1	5.0	.20		
9	.096	2.0		6.7		5.0	.19	140	150
10	.079		<1	6.3	<1	5.0	.19		
11	.096			6.5		5.0	.19		
12	.106			6.7		5.0	.23		
13	.085			6.5		5.0	.22		
14	.096		<1	6.3	<1	5.0	.22		
15	.113		1	6.3	<1	5.0	.20		
16	.100			6.4		5.0	.22		
17	.101		<1	6.4	<1	5.0	.20		
18	.098			6.4		5.0	.20		
19	.100			6.5		5.0	.21		
20	.103			6.4		5.0	.27		
21	.105		1	6.3	<1	5.0	.33		
22	.106		<1	6.4	<1	5.0	.25		
23	.111	2.0		6.3		5.0	.20		
24	.127		<1	6.4	<1	5.0	.20		
25	.111			6.5		5.0	.23		
26	.108			6.7		5.0	.41		
27	.103			6.9		5.0	.85		
28	.092		2.4	6.4	<1	5.0	1.5		
29	.133		<1	6.4	<1	5.0	.29		
30	.106			6.4		5.0	.29		
31	.123		<1	6.5	<1	5.0	.21		

PLANT STAFFING:

Day Shift Operator	Class: <u>C</u>	Certificate No: <u>8660</u>	Name: <u>David Ryniak</u>
Evening Shift Operator	Class: <u>B</u>	Certificate No: <u>7294</u>	Name: <u>Todd Huscock</u>
Night Shift Operator	Class: <u>B</u>	Certificate No: <u>7523</u>	Name: <u>Robb Hudson</u>
Lead Operator	Class: <u>C</u>	Certificate No: <u>0600</u>	Name: <u>David Ryniak</u>

Type of Effluent Disposal or Reclaimed Water Return:

Limited Wet Weather Discharge Activated: Yes: No: Not Applicable If yes, cumulative days of wet weather: _____

*Attach additional sheets if necessary to list all certified operators.

DAILY SAMPLE RESULTS - PART B

Permit Number: FLA013123

Facility Name: Cypress Lakes WWTP
County: Polk

Threemonth Average Daily Flow: 0.104

Month/Year: NOV-02

Daily Flow % of Permitted Capacity: 43%

	Flow (MGD) To R-001	CBOD5 (mg/L)	TSS (mg/L)	pH (A.U.) MIN/MAX	Fecal Coliform Bacteria (#/100ml)	TRC (For Offinlet) (mg/L)	Turbidity	CBOD5 (mg/L)	TSS (mg/L)
Code	50090	80082	00530	00406	74055	30080	00070	80092	00590
Mon. Sht	Calculation	EFA-01	EFB-01	EFA-01	EFA-01	EFA-01	EFB-01	EFA-01	EFA-01
1	.111			6.5		5.0	.21		
2	.098			6.5		5.0	.24		
3	.110			6.3		5.0	.22		
4	.094		<1	6.6	<1	5.0	.21		
5	.115		<1	6.7	<1	5.0	.21		
6	.121	<2		6.5		5.0	.30	160	310
7	.110		1.4	6.4	<1	5.0	.30		
8	.113			6.7		5.0	.21		
9	.110			6.8		5.0	.26		
10	.104			6.9		5.0	.51		
11	.117		2.0	6.5	<1	5.0	.40		
12	.121		<1	6.5	<1	5.0	.40		
13	.132			6.5		5.0	.36		
14	.114		<1	6.4	<1	5.0	.24		
15	.111			6.5		5.0	.21		
16	.097			6.4		5.0	.21		
17	.142			6.5		5.0	.21		
18	.117		<1	6.3	<1	5.0	.18		
19	.112		<1	6.3	<1	5.0	.26		
20	.107	<2		6.5		5.0	.20		
21	.119		<1	6.5	<1	5.0	.24		
22	.121			6.5		5.0	.30		
23	.176			6.4		5.0	.34		
24	.053			6.4		5.0	.54		
25	.099		1.1	6.7	<1	5.0	.50		
26	.102		1.0	6.6	<1	5.0	.36		
27	.092			6.5		5.0	.33		
28	.116		<1	6.6	<1	5.0	.35		
29	.094			6.7		5.0	.42		
30	.117			6.5		5.0	.39		
31									

PLANT STAFFING:

Day Shift Operator	Class: <u>C</u>	Certificate No: <u>8000</u>	Name: <u>David Rymiak</u>
Evening Shift Operator	Class: <u>B</u>	Certificate No: <u>7294</u>	Name: <u>Tracy Higdon</u>
Night Shift Operator	Class: <u>A</u>	Certificate No: <u>7523</u>	Name: <u>Robb Hudson</u>
Lead Operator	Class: <u>A</u>	Certificate No: <u>8000</u>	Name: <u>David Rymiak</u>

Type of Effluent Disposal or Reclaimed Water Reuse: _____
 Limited Weather Discharge Activated: Yes: No: (Not Applicable) If yes, cumulative days of wet weather: _____

*Attach additional sheets if necessary to list all certified operators.

DAILY SAMPLE RESULTS - PART B

Permit Number: FLA013123

Facility Name: Cypress Lakes WWTP
County: Polk

Three-month Average Daily Flow: 330

Month Year: Dec - 02

Daily Flow % of Permitted Capacity: 72.9%

	Flow (MGD) To R-001	CBOD5 (mg/L)	TSS (mg/L)	pH (n.u.) Min/Max	Fecal Coliform Bacteria (#/100ml)	TIC (For Disinfect.) (mg/L)	Turbidity	GBOD5 (mg/L)	TSS (mg/L)
Code	50050	80082	00530	03406	74085	80080	00070	80082	00530
Mon. Site	Calculation	EPA-01	EPA-01	EPA-01	EPA-01	EPA-01	EPA-01	INF-01	INF-01
1	.116			6.6		5.0	.43		
2	.100		1.4	6.5	<1	5.0	.46		
3	.100		<1	6.4	<1	5.0	.31		
4	.098	<2.0		6.4		5.0	.24	270	320
5	.112		<1	6.4	<1	5.0	.26		
6	.137			6.7		5.0	.27		
7	.113			6.6		5.0	.21		
8	.121			6.7		5.0	.21		
9	.121		1.2	6.3	<1	5.0	.20		
10	.160		1.6	6.3	<1	5.0	.25		
11	.115			6.2		5.0	.36		
12	.116		<1	6.3	<1	5.0	.33		
13	.150			6.4		5.0	.25		
14	.202			6.5		5.0	.28		
15	.071			6.3		5.0	.24		
16	.116		<1	6.3	<1	5.0	.22		
17	.094		<1	6.5	<1	5.0	.20		
18	.117	<2.0		6.5		5.0	.18		
19	.117		1.0	6.4	<1	5.0	.18		
20	.116			6.4		5.0	.21		
21	.107			6.7		5.0	.22		
22	.100			6.6		5.0	.32		
23	.098		1.0	6.6	<1	5.0	.30		
24	.125		<1	6.5	<1	5.0	.29		
25	.107			6.4		5.0	.28		
26	.121		<1	6.4	<1	5.0	.29		
27	.113			6.4		5.0	.28		
28	.112			6.5		5.0	.28		
29	.117			6.5		5.0	.33		
30	.118		<1	6.5	<1	5.0	.27		
31	.130		<1	6.4	<1	5.0	.64		

PLANT STAFFING:

Day Shift Operator
Evening Shift Operator
Night Shift Operator
Local Operator

Class: C
Class: B
Class: A
Class: C

Certificate No: 8660
Certificate No: 7294
Certificate No: 7923
Certificate No: 8660

Name: David Rymak
Name: Rob Hodson
Name: David Rymak

Type of Effluent Disposal or Reclaimed Water Route:

Limited Wet Weather Discharge Activated: Yes No: Not Applicable If yes, cumulative days of wet weather

*Attach additional sheets if necessary to list all certified operators.

DAILY SAMPLE RESULTS - PART B

Permit Number: FLA013123

Facility Name: Cypress Lakes WWTP
County: Polk

Three-month Average Daily Flow: 117

Month/Year: January - 03

Daily Flow % of Permitted Capacity: 48%

Code	Flow (MGD) To R-001	CBOD5 (mg/L)	TSS (mg/L)	pH (a.u.) Min/Max	Fecal Coliform Bacteria (#/100ml)	TRC (For 24hr Int.) (mg/L)	Turbidity	CBOD5 (mg/L)	TSS (mg/L)
Mon. Site	Calculations	EFA-01	EFB-01	EFA-01	EFA-01	EFA-01	EFB-01	INF-01	INF-01
1	.146	<2		6.5		1.8	.45	<30	<2
2	.114		<2	6.4	<1	5.0	.76		
3	.134			6.7		5.0	.56		
4	.1047			6.6		5.0	.40		
5	.143			6.6		5.0	.42		
6	.136		<2	6.6	<1	5.0	.46		
7	.151		<2	6.7	<1	5.0	.42		
8	.136			6.7		5.0	.54		
9	.138		<2	6.4	<1	5.0	.36		
10	.146			6.7		5.0	.30		
11	.140			6.5		5.0	.37		
12	.193			6.5		2.38	.38		
13	.095		<2	7.0	<1	5.0	.32		
14	.129		<2	6.4	<1	5.0	.52		
15	.115	<2		7.0		5.0	.56		
16	.116		<2	7.4	<1	5.0	.28		
17	.126			7.2		5.0	.30		
18	.116			7.0		5.0	.64		
19	.135			6.8		5.0	.28		
20	.120		<2	7.3	<1	5.0	.51		
21	.136		<2	7.2	<1	5.0	.31		
22	.126			7.1		5.0	.82		
23	.127		<2	6.9	<1	5.0	.36		
24	.128			7.0		3.0	.51		
25	.123								
26	.087								
27	.067		7.4	7.1	<1	5.0	.46		
28	.107		9.2	7.0	<1	5.0	1.5		
29	.120	<2		6.8		5.0	1.5		
30	.122		3.0	6.8	<1	5.0	1.5		
31	.125		<2	6.7		5.0	.71		

PLANT STAFFING:

Day Shift Operator	Class: <u>C</u>	Certificate No: <u>6600</u>	Name: <u>David Ryniak</u>
Evening Shift Operator	Class: <u>B</u>	Certificate No: <u>7294</u>	Name: <u>Todd Riscock</u>
Night Shift Operator	Class: <u>A</u>	Certificate No: <u>7523</u>	Name: <u>Rob Hudson</u>
Lead Operator	Class: <u>C</u>	Certificate No: <u>6600</u>	Name: <u>David Ryniak</u>

Type of Effluent Disposal or Reclaimed Water Reuse: _____
 Limited Wet Weather Discharge Allowed: Yes No: Not Applicable if yes, cumulative days of wet weather: _____

*Attach additional sheets if necessary to list all certified operators.

DAILY SAMPLE RESULTS - PART B

Permit Number: FLA013123

Facility Name: Cypress Lakes WWTP
County: Polk

Three-month Average Daily Flow: .124

Monthly: Feb 03

Daily Flow % of Permitted Capacity: 51%

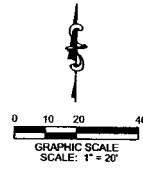
	Flow (MGD) To R-007	CBOD5 (mg/L)	TSS (mg/L)	pH (u.s.) Min/Max	Fecal Coliform Bacteria (#/100ml)	TBC (For Disinfect.) (mg/L)	Turbidity	CBOD5 (mg/L)	TSS (mg/L)
Code	50050	80082	00330	00406	74055	30060	00070	80082	00330
Mon. SNo	Calculation	EFA-01	EFB-01	EFA-01	EFA-01	EFA-01	EFB-01	INF-01	INF-01
1	.088			6.7		5.0	.65		
2	.062			6.8		5.0	.56		
3	.118		2.2	7.0	<1	5.0	.55		
4	.124		<2	7.0	<1	5.0	.55		
5	.139			7.0		5.0	.86		
6	.131		<2	7.1	<1	5.0	.80		
7	.143			6.9		5.0	.60		
8	.160			6.7		5.0	.99		
9	.106			6.5		5.0	.60		
10	.171		<2	6.9	<1	5.0	1.1		
11	.161		<2	7.0	<1	5.0	.39		
12	.128	<2		6.9		5.0	.50	270	230
13	.146		<2	7.0	<1	5.0	.63		
14	.136			6.7		5.0	.51		
15	.148			6.8		5.0	.46		
16	.162			6.9		5.0	.62		
17	.148		<2	7.1	<1	5.0	.63		
18	.142		<2	6.8	<1	5.0	.70		
19	.115			6.8		5.0	.60		
20	.126		<2	6.8	<1	5.0	.53		
21	.126			7.0		5.0	.80		
22	.124			6.8		5.0	.64		
23	.143			6.4		5.0	.58		
24	.131		2.4	6.6	<1	5.0	.58		
25	.126		<2	6.7	<1	3.3	.40		
26	.137	<2		6.8		5.0	.72		
27	.136		<2	6.7	<1	5.0	.43		
28	.129			6.7		5.0	.40		
29									
30									
31									

PLANT STAFFING:

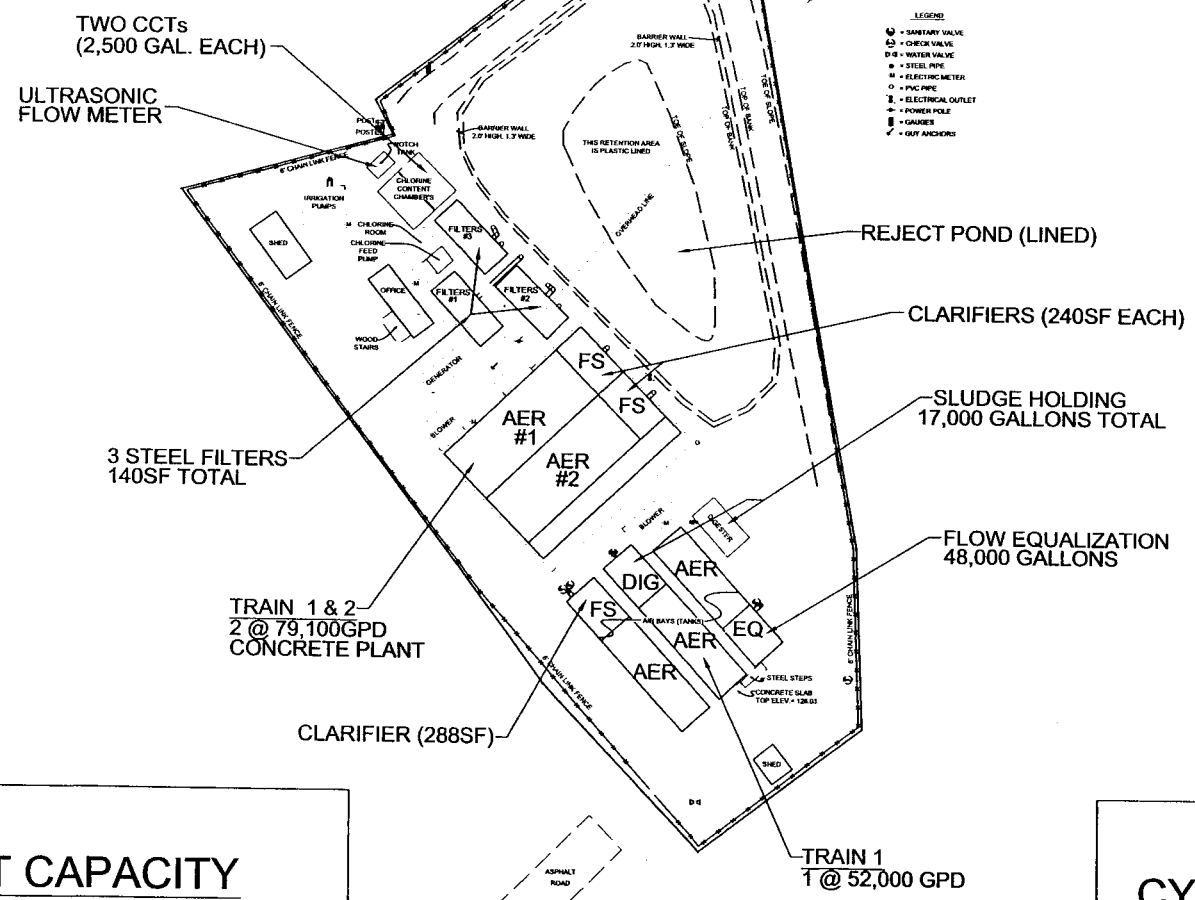
Day Shift Operator Class: C Certificate No: 8600 Name: David Ryniak
 Evening Shift Operator Class: B Certificate No: 7294 Name: Todd Hiscok
 Night Shift Operator Class: A Certificate No: 7523 Name: Robert Hudson
 Lead Operator Class: C Certificate No: 8600 Name: David Ryniak

Type of Effluent Disposal or Reclaimed Water Reuse: _____
 Limited Wet Weather Discharge Activated: Yes: No: Not Applicable If yes, cumulative days of 48: weather _____

*Attach additional sheets if necessary to list all certified operators.



- LEGEND
- = SANITARY VALVE
 - = CHECK VALVE
 - D-Ø = WATER VALVE
 - = STEEL PIPE
 - ⊕ = ELECTRIC METER
 - = PVC PIPE
 - ⊗ = ELECTRICAL OUTLET
 - ⊖ = POWER POLE
 - ⊞ = GANTRY
 - ⊟ = GUY ANCHORS



PLANT CAPACITY
175,000 GPD AADF

CYPRESS LAKES WWTP
SITE PLAN

Water Rate Base

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Interim or Final
 Historic or Projected

Schedule: A-1 Revised
 Page 1 of 1
 Preparer: Virchow, Krause

Explanation: Provide the calculation of average rate base for the test year, showing all adjustments. All non-used and useful items should be reported as Plant Held For Future Use.

(1) Line No.	(2) Description	(3) Balance Per Books	(4) Utility Adjustments	(5) Adjusted Books Balance	(6) Proforma Adjustments	(7) Adjusted Utility Balance	(8) Supporting Schedule(s)
1	Utility Plant in Service	\$ 1,394,454	\$ -	\$ 1,394,454	\$ 10,504 A	\$ 1,404,958	A-5, A-3
2	Utility Land & Land Rights	509	-	509	-	509	A-5
3	Less: Non-Used & Useful Plant	-	-	-	-	-	A-3, A-7
4	Construction Work in Progress	-	- E	-	-	-	A-3, A-18
5	Less: Accumulated Depreciation	(441,149)	-	(441,149)	(203) B	(441,352)	A-9, A-7
6	Less: CIAC	(288,599)	-	(288,599)	-	(288,599)	A-12
7	Accumulated Amortization of CIAC	73,149	-	73,149	-	73,149	A-14
8	Acquisition Adjustment	-	- F	-	-	-	A-3, A-18
9	Accum. Amort. Of Acq. Adjustments	-	- F	-	-	-	A-3, A-18
10	Advances for Construction	-	-	-	-	-	A-16
11	Working Capital Allowance	-	-	-	21,790 G	21,790	A-17, A-3
12	Total Rate Base	\$ 738,363	\$ -	\$ 738,363		\$ 770,454	

DOCUMENT NUMBER-DATF
 06070 JUL 10 08
 FPSC-COMMISSION CLEARING

Sewer Rate Base

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Interim [] or Final [x]
 Historic [x] or Projected []

Schedule: A-2 Revised
 Page 1 of 1
 Preparer: Virchow, Krause

Explanation: Provide the calculation of average rate base for the test year, showing all adjustments. All non-used and useful items should be reported as Plant Held For Future Use.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Adjustments	(4) Adjusted Books Balance	(5) Proforma Adjustments	(6) Adjusted Utility Balance	(7) Supporting Schedule(s)
1	Utility Plant in Service	\$ 2,323,319	\$ -	\$ 2,323,319	\$ 14,437 A	\$ 2,337,756	A-6
2	Utility Land & Land Rights	2,610	-	2,610	-	2,610	A-6
3	Less: Non-Used & Useful Plant	-	(9,310) C	(9,310)	-	(9,310)	A-3, A-7
4	Construction Work in Progress	200,004	(200,004) E	-	-	-	A-3, A-18
5	Less: Accumulated Depreciation	(701,311)	-	(701,311)	(483) B	(701,794)	A-10, A-3
6	Less: CIAC	(711,034)	-	(711,034)	-	(711,034)	A-12
7	Accumulated Amortization of CIAC	155,692	-	155,692	-	155,691.50	A-14
8	Acquisition Adjustment	-	-	-	-	-	A-3, A-18
9	Accum. Amort. Of Acq. Adjustments	-	-	-	-	-	A-3, A-18
10	Advances for Construction	-	-	-	-	-	A-16
11	Working Capital Allowance	-	-	-	37,280 G	37,280	A-17, A-3
12	Total Rate Base	\$ 1,269,280	\$ (209,314)	\$ 1,059,966		\$ 1,111,200	

Adjustments to Ratebase

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.

Docket No.: 060257-WS

Test Year End: December 31, 2005

Interim [] or Final [x]

Historic [x] or Projected []

Schedule: A-3 Revised

Page 1 of 1

Preparer: Virchow, Krause

Explanation: Provide a detailed description of all adjustments to rate base per books, with a total for each rate base line item.

Line No.	Description	Water	Sewer
(A)	Utility Plant In Service		
	(i) Proforma		
	330.5 Distribution, Reservoirs and Standpipes	620	-
	334.5 Meters	3,723	-
	380.4 Sewage Treatment Plant	-	8,696
	Proforma Total	4,343	8,696
	(ii) WSC Rate Base		
	Net WSC Rate Base	6,161	5,741
(B)	Accumulated Depreciation		
	(i) Proforma		
	330.5 Distribution, Reservoirs and Standpipes	17	-
	334.5 Meters	186	-
	380.4 Sewage Treatment Plant	-	483
	Proforma Total	203	483
		-	-
(C)	Non Used & Useful Plant In Service - Schedule: A-7		
	Plant	-	19,420
	Depreciation	-	(10,110)
(D)	Accumulated Depreciation - Proforma	N/A	N/A
(E)	Remove CWIP	-	(200,004)
(F)	Reverse Acquisition Adjustment		
	Adjustment	-	-
	Amortization	-	-
(G)	Working Capital Allowance	21,790	37,280

Working Capital Allowance Calculation

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Interim [] or Final [x]
 Historic [x] or Projected []

Schedule: A-17 Revised
 Page 1 of 1
 Preparer: Virchow, Krause
 Recap Schedules:

Explanation: Provide the calculation of working capital using the formula method. This is calculated by taking the balance of O&M Expenses divided by 8.

Line No.	Description	Water	Sewer
1	<u>Final Rates - 12/31/2005</u>		
2	Total O&M Expenses	\$ 134,677	\$ 260,454
3	Adjustments to O&M Expenses	<u>39,639</u>	<u>37,784</u>
4	Total Adjusted O&M Expenses	174,316	298,238
5	Divide by 8	<u>8</u>	<u>8</u>
6	Working Capital	<u>\$ 21,790</u>	<u>\$ 37,280</u>

Recap Schedules: A-1, A-2

Net Operating Income Statement - Water

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Interim [] or Final [x]
 Historic [x] or Projected []

Schedule: B-1 Revised
 Page 1 of 1
 Preparer: Virchow, Krause

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Balance Per Books	Utility Test Year Adjustments	Utility Adjusted Test Year	Requested Revenue Adjustment	Requested Annual Revenues	Supporting Schedule(s)
1 OPERATING REVENUES	\$ 245,865	\$ 2,492 A	\$ 248,357	\$ 101,790 I	\$ 350,147	B-4, E-2
2 Operation & Maintenance	134,677	-	134,677	39,639 E, F, G, L, I	174,316	B-5
3 Depreciation, net of CIAC amort.	47,869	-	47,869	- D	47,869	B-13
4 Amortization	-	- B	-	-	-	
5 Taxes Other Than Income	22,994	-	22,994	5,506 K, M	28,500	B-15
6 Provision for Income Taxes	7,289	- C	7,289	26,222 J	33,511	C-1, B-3
7 OPERATING EXPENSES	212,829	-	212,829	71,367	284,196	
8 NET OPERATING INCOME	\$ 33,036	\$ 2,492	\$ 35,528	\$ 30,423	\$ 65,951	
9 RATE BASE	\$ 738,363		\$ 738,363		\$ 770,454	A-1
10 RATE OF RETURN	4.47%		4.81%		8.56%	

Net Operating Income Statement - Sewer

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Interim or Final
 Historic or Projected

Schedule: B-2 Revised
 Page 1 of 1
 Preparer: Virchow, Krause

Explanation: Provide the calculation of net operating income for the test year. If amortization (Line 4) is related to any amount other than an acquisition adjustment, submit an additional schedule showing a description and calculation of charge.

Line No.	(1) Description	(2) Balance Per Books	(3) Utility Test Year Adjustments	(4) Utility Adjusted Test Year	(5) Requested Revenue Adjustment	(6) Requested Annual Revenues	(7) Supporting Schedule(s)
1	OPERATING REVENUES	\$ 353,217	\$ 7,020 A	\$ 360,237	\$ 150,329 I	\$ 510,566	B-4, E-2
2	Operation & Maintenance	260,454	-	260,454	37,784 F, G, L	298,238	B-6
3	Depreciation, net of CIAC amort.	44,979	-	44,979	483 D	45,462	B-14
4	Amortization	87	(87) B	-	-	-	B-3
5	Taxes Other Than Income	32,579	-	32,579	7,628 K, M	40,207	B-15
6	Provision for Income Taxes	(23,234)	23,234 C	-	31,540 J	31,540	
7	OPERATING EXPENSES	314,865	23,147	338,012	77,435	415,447	
8	NET OPERATING INCOME	\$ 38,352	\$ (16,127)	\$ 22,225	\$ 72,894	\$ 95,119	
9	RATE BASE	\$ 1,269,280		\$ 1,059,966		\$ 1,111,200	A-2
10	RATE OF RETURN	3.02%		2.10%		8.56%	

Adjustments to Net Operating Income

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.

Schedule: B-3 Revised

Docket No.: 060257-WS

Page 1 of 1

Test Year End: December 31, 2005

Preparer: Virchow, Krause

Schedule Year End: December 31, 2005

Interim [] or Final [x]

Historic [x] or Projected []

Explanation: Provide a detailed description of all adjustments to operating income per books, with a total for each line item shown on the net operating income statement.

Line No.	Description	Water	Wastewater
(A)	Operating Revenues		
	Effect of mid year rate change	2,384	6,717
	RAF Effect on above	107	302
(B)	Amortization		
	Reverse out	-	(87)
(C)	Provision for Income Tax		
	Remove Negative Income Tax	-	23,234
(D)	Depreciation Expense		
	Depreciation from proforma plant changes (see A-3)	-	483
(E)	Proforma Project Amortized Expense		
	Coating and Painting Hydrotanks	5,600	
(F)	Purchase Power Pass Through	1,613	6,008
(G)	Rate Case Expense		
	1/4 of Rate Case Expense (Schedule B-10)	\$ 19,405	\$ 18,084
(H)	Provision for income taxes	N/A	N/A
	Income Taxes (C-1)		
(I)	Revenue Increase		
	Required to realize a 8.56% rate of return	101,790	150,329
(J)	Provision for Income Taxes		
	Income Taxes (C-1)	26,222	31,540
(K)	Taxes other than Income		
	Regulatory Assessment Fees (RAF's)		
	Adjusted for Revenue Increase (B-15)	4,581	6,765
(L)	Proforma O&M Expenses		
	Salary Adjustment (see WP)	13,229	12,329
	Pension/Benefit Adjustment (see WP)	1,462	1,362
(M)	Proforma Tax Other than Income		
	Payroll Taxes (see WP)	928	863
(N)	Used and Useful Depreciation Adjustment		
	Expenses from B-14	-	(1,669)

Reconciliation of Total Income Tax Provision

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
Docket No.: 060257-WS
Test Year End: December 31, 2005
Interim [] or Final [x]
Historic [x] or Projected []

Schedule: C-1 Revised
Page 1 of 1
Preparer: Virchow, Krause

Explanation: Provide a reconciliation between the total operating income tax provision and the currently payable income taxes on operating income for the test year.

Line No.	Description	Ref.	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer	Adjusted for Increase Water	Increase Sewer
1	Current Tax Expense	C-2	\$ (25,436)	\$ 20,404	\$ (5,031)	\$ 2,212	\$ (9,590)	\$ 26,222	\$ 31,540
2	Deferred Income Tax Expense	C-5	(16,086)	-	(16,086)	(7,383)	23,534	-	-
3	ITC Realized This Year	C-8	-	-	-	-	-	-	-
4	ITC Amortization	C-8	-	-	-	-	-	-	-
5	(3% ITC and IRC 46(f)(2))								
6	Parent Debt Adjustment	C-9	-	-	-	-	-	-	-
7	Total Income Tax Expense		\$ (41,522)	\$ 20,404	\$ (21,117)	\$ (5,171)	\$ 13,944	\$ 26,222	\$ 31,540

Supporting Schedules: C-2, C-5, C-8, C-9
 Recap Schedules: B-1, B-2

State and Federal Income Tax Calculation - Current

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: #60257-W5
 Test Year End: December 31, 2005
 Interim or Final
 Historic or Projected

Schedule: C-2 Revised
 Page 1 of 1
 Preparer: Virchow, Krause

Explanation: Provide the calculation of state and federal income taxes for the test year. Provide detail on adjustments to income taxes and investment tax credits generated.

Line No.	Description	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer	Adjusted for Increase	
							Water	Sewer
1	Net Utility Operating Income (B-1, B-2)	\$ 71,388	\$ (13,636)	\$ 57,752	35,528	22,225	99,462	126,659
1a	Other Income	-	-	-	-	-	-	-
2	Add: Income Tax Expense Per Books (B-1, B-2)	(15,945)	23,234	7,289	-	-	-	-
3	Subtotal	55,443	9,598	65,041	35,528	22,225	99,462	126,659
4	Less: Interest Charges (C-3)	79,839	-	79,839	29,409	50,430	29,537	42,601
5	Taxable Income Per Books	(24,396)	9,598	(14,798)	6,119	(28,205)	69,925	84,058
Schedule M Adjustments:								
6	Permanent Differences (C-4)	192	(192)	-	-	-	-	-
7	Timing Differences (C-5)	(50,607)	50,607	-	-	-	-	-
8	Total Schedule M Adjustments	(50,415)	50,415	-	-	-	-	-
9	Taxable Income Before State Taxes	(74,811)	60,013	(14,798)	6,119	(28,205)	69,925	84,058
10	Less: State Income Tax Exemption (\$5,000)	5,000	-	5,000	2,500	2,500	2,500	2,500
11	State Taxable Income	(79,811)	60,013	(19,798)	3,619	(30,705)	67,425	81,558
12	State Income Tax (5.5% of Line 11)	-	-	-	199	-	3,708	4,486
13	Emergency Excise Tax	-	-	-	-	-	-	-
14	Credits	-	-	-	-	-	-	-
15	Current State Income Taxes	-	-	-	199	-	3,708	4,486
16	Federal Taxable Income (Line 9 - Line 15)	(74,811)	60,013	(14,798)	5,920	(28,205)	66,216	79,572
17	Federal Income Tax Rate	0.34	0.34	0.34	0.34	0.34	0.34	0.34
18	Federal Income Taxes (Line 16 x Line 17)	(25,436)	20,404	(5,031)	2,013	(9,590)	22,514	27,055
19	Less: Investment Tax Credit Realized This Year (C-8)	-	-	-	-	-	-	-
20	Current Federal Inc. Taxes (Line 18 - Line 19)	(25,436)	20,404	(5,031)	2,013	(9,590)	22,514	27,055
Summary:								
21	Current State Income Tax (Line 15)	-	-	-	199	-	3,708	4,486
22	Current Federal Income Tax (Line 20)	(25,436)	20,404	(5,031)	2,013	(9,590)	22,514	27,055
23	Total Current Income Tax Expense (To C-1)	\$ (25,436)	\$ 20,404	\$ (5,031)	\$ 2,212	\$ (9,590)	\$ 26,222	\$ 31,540

Supporting Schedules: B-1, B-2, C-3, C-4, C-5, C-8
 Recap Schedules: C-1

Deferred Tax Expense

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Schedule Year End: December 31, 2005
 Interim [] or Final [x]
 Historic [x] or Projected []

Schedule: C-5 Revised
 Page 1 of 1
 Preparer: Virchow, Krause

Explanation: Provide the calculation of total deferred income tax expense for the test year. Provide detail on items resulting in tax deferrals other than accelerated depreciation.

Line No.	Description	Total Per Books	Utility Adjustments	Utility Adjusted	Water	Sewer
1 Timing Differences:						
2	Tax Depreciation and Amortization	\$ 11,267	\$ -	\$ 11,267	\$ 52,501	\$ (41,234)
3	Book Depreciation and Amortization	92,936	-	92,936	47,869	45,067
4	Difference	(81,669)	-	(81,669)	4,632	(86,301)
5 Other Timing Differences (Itemize)						
6	Tap Fees	-	-	-	-	-
7	AFUDC	192	-	-	-	-
8	Org. Exp. Amort.	-	-	-	-	-
9	Def. R.C. Exp.	30,870	-	30,870	15,435	15,435
10	Total Timing Differences (to C-2)	(50,607)	-	(50,799)	20,067	(70,866)
11	State Tax Rate	0.055	0.055	0.055	0.055	0.055
12	State Deferred Tax (Line 9 x Line 11)	1,698	-	1,698	849	849
13	(Limited by NOL)	-	-	-	-	-
14 Timing Differences for Federal Taxes						
15	(Line 10 - Line 12)	(52,305)	-	(52,497)	19,218	(71,715)
16	Federal Rate	0.340	0.340	0.340	0.340	0.340
17	Federal Deferred Taxes (L16xL15)	(17,784)	-	(17,849)	6,534	(24,383)
18	Add: State Deferred Taxes (L12)	1,698	-	1,698	849	849
19	Total Deferred Tax Expense (to C-1)	\$ (16,086)	\$ -	\$ (16,151)	\$ 7,383	\$ (23,534)

Calculation of TYE 12/31/05 Water Revenues

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Schedule Year Ended: December 31, 2005
 Water [x] or Sewer []
 Interim [] or Final [x]
 Historic [x] or Projected []

Schedule: E-2 Revised
 Page 1 of 6
 Preparer: Steven DiHel

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

Line No.	(1) Class/Meter Size	(2) Test Year		(4) Test Year		(5) Rate	(6) Test Year Revenue	(7) Test Year Revenue Adjustment ⁽³⁾
		1-1 to 10-1 Invoices/Gal	10-2 to 12-31 Invoices/Gal	1-1 to 10-1 Rate	10-2 to 12-31 Rate			
Water Customers ⁽²⁾								
1	67201 5/8" Residential Base Charge	11,351.81	3,798.19	\$ 6.41	\$ 6.49	\$	97,415	\$ 908
2	67204 5/8" General Service Base Charge	18.06	5.94	\$ 6.41	\$ 6.49		154	1
3	67210 1" General Service Base Charge	9.03	2.97	\$ 16.01	\$ 16.22		193	2
4	67212 1.5" General Service Base Charge	18.06	5.94	\$ 32.02	\$ 32.44		771	8
5	67205 5/8" G.S. Irrigation Base Charge	136.52	47.48	\$ 6.41	\$ 6.49		1,183	11
6	67211 1" G.S. Irrigation Base Charge	128.45	41.55	\$ 16.01	\$ 16.22		2,698	27
7	67214 1.5" G.S. Irrigation Base Charge	17.06	5.94	\$ 32.02	\$ 32.44		739	7
8	67215 2" G.S. Irrigation Base Charge	36.13	11.87	\$ 51.22	\$ 51.89		2,467	24
9								
10	Gallonge Charge per 1,000 Gallons							
11	67201 5/8" Residential (First 6,000 Gal) ⁽¹⁾	33,199,258	10,327,742	\$ 2.44	\$ 2.47		106,516	996
12	67201 5/8" Residential (Next 6,000 Gal) ⁽¹⁾	3,178,806	960,194	\$ 3.67	\$ 3.72		15,242	159
13	67201 5/8" Residential (Over 12,000 Gal) ⁽¹⁾	2,033,129	246,871	\$ 4.89	\$ 4.95		11,164	122
14	Total for Billcode 67201	38,412,194	11,534,806					
15	67204 5/8" General Service	200,613	62,387	\$ 2.66	\$ 2.69		701	6
16	67210 1" General Service	400,645	129,355	\$ 2.66	\$ 2.69		1,414	12
17	67212 1.5" General Service	783,871	183,129	\$ 2.66	\$ 2.69		2,578	24
18	67205 5/8" G.S. Irrigation	102,419	52,581	\$ 2.66	\$ 2.69		414	3
19	67211 1" Irrigation	58,258	35,742	\$ 2.66	\$ 2.69		251	2
20	67214 1.5" Irrigation	550,645	211,355	\$ 2.66	\$ 2.69		2,033	17
21	67215 2" Irrigation	1,886,968	533,032	\$ 2.66	\$ 2.69		6,453	57
22								
23								
24								
25								
26								
27								
28	Total Water Revenues						\$ 252,386	\$ 2,384
29								
30				Misc Revenues			2,017	
31								
32				Total Revenues			\$ 254,403	
33	Revenues per General Ledger		247,141					
34	Adjustments		2,017					
35	Adjusted Revenues per General Ledger		<u>\$ 249,158</u>					
36								
37	Revenues per Above		<u>254,403</u>					
38	Unreconcilable Difference		<u>\$ (5,245)</u>					
39	Unreconcilable Difference Percent		-2%					
40								
41	Average Bill:		Total	Total	Total			
42	Residential	\$ 15.20	15,150.00	\$ 230,337	49,947,000			
43	General Service	\$ 96.85	60.00	\$ 5,811	1,760,000			
44	Irrigation	\$ 38.39	423.00	\$ 16,239	3,431,000			

(1) Consolidated Factor (Column 7, Schedule E-14) is used for tiered gallons

(2) These bill codes had a rate change between bill cycles. Therefore, the number of bills are prorated based on the following: number of bills * [number of days @ respective rate / total days in bill cycle]

(3) Adjustment to annualize rates difference between actual revenue and revenue if existing rates had been in effect for the whole year.

Calculation of TYE 12/10/05 Water Revenues
With an adjustment for Index.

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
Docket No.: 050257-WS
Test Year End: December 31, 2005
Schedule Year Ended: December 31, 2005
Water [x] or Sewer []
Interim [] or Final [x]
Historic [x] or Projected []

Schedule: E-2 Revised
Page 2 of 6
Preparer: Steven Dihei

Explanation: Calculation of Water Revenues on test year customer adjusted for approved Interim rate increase.

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(3) Interim Rate	(4) Annualized Revenue
Water Customers				
1	67201 5/8" Residential Base Charge	15,150	\$ 6.88	\$ 104,215
2	67204 5/8" General Service Base Charge	24	\$ 6.88	165
3	67210 1" General Service Base Charge	12	\$ 17.20	206
4	67212 1.5" General Service Base Charge	24	\$ 34.39	825
5	67205 5/8" G.S. Irrigation Base Charge	184	\$ 6.88	1,266
6	67211 1" G.S. Irrigation Base Charge	168	\$ 17.20	2,889
7	67214 1.5" G.S. Irrigation Base Charge	23	\$ 34.39	791
8	67215 2" G.S. Irrigation Base Charge	48	\$ 55.03	2,641
9				
10	Gallonage Charge per 1,000 Gallons			
11	67201 5/8" Residential (First 6,000 Gal) (1)	43,527,000	\$ 2.75	119,493
12	67201 5/8" Residential (Next 6,000 Gal) (1)	4,140,000	\$ 4.13	17,117
13	67201 5/8" Residential (Over 12,000 Gal) (1)	2,280,000	\$ 5.50	12,544
14				
15	67204 5/8" General Service	263,000	\$ 2.99	786
16	67210 1" General Service	530,000	\$ 2.99	1,585
17	67212 1.5" General Service	967,000	\$ 2.99	2,891
18	67205 5/8" G.S. Irrigation	155,000	\$ 2.99	463
19	67211 1" Irrigation	94,000	\$ 2.99	281
20	67214 1.5" Irrigation	762,000	\$ 2.99	2,278
21	67215 2" Irrigation	2,420,000	\$ 2.99	7,235
22				
23				
24				
25				
26				
27	Total Water Revenues			\$ 277,673
28				
29			Misc Revenue	2,017
30				
31			Total Revenue	\$ 279,690
32				
33				
34				
35				
36				
37				
38				
39				
40				
41	Average Bill:			Total Revenues
42	Residential	\$ 16.72	\$	253,369
43	General Service	\$ 107.65	\$	6,459
44	Irrigation	\$ 42.19	\$	17,845
	See p1 for Bill and Gallon total			

(1) Consolidated Factor (Column 7, Schedule E-14) is used for tiered gallons

Calculation of Non Repressed Revenues

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Schedule Year Ended: December 31, 2005
 Water [x] or Sewer []
 Interim [] or Final [x]
 Historic [x] or Projected []

Schedule: E-2 Revlaed
 Page 3 of 6
 Preparer: Steven Dihel

Explanation: Calculation of Proposed Rates

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(3) Proposed Rate	(4) Proposed Revenue
Water Customers				
1	67201 5/8" Residential Base Charge	15,150	\$ 8.73	\$ 132,197
2	67204 5/8" General Service Base Charge	24	\$ 8.73	209
3	67210 1" General Service Base Charge	12	\$ 21.81	262
4	67212 1.5" General Service Base Charge	24	\$ 43.63	1,047
5	67205 5/8" G.S. Irrigation Base Charge	184	\$ 8.73	1,606
6	67211 1" G.S. Irrigation Base Charge	168	\$ 21.81	3,655
7	67214 1.5" G.S. Irrigation Base Charge	23	\$ 43.63	1,003
8	67215 2" G.S. Irrigation Base Charge	48	\$ 69.81	3,351
9				
10	Gallage Charge per 1,000 Gallons			
11	67201 5/8" Residential (First 6,000 Gal) (1)	43,527,000	\$ 3.47	150,921
12	67201 5/8" Residential (Next 6,000 Gal) (1)	4,140,000	\$ 5.20	21,532
13	67201 5/8" Residential (Over 12,000 Gal) (1)	2,280,000	\$ 6.93	15,811
14				
15	67204 5/8" General Service	263,000	\$ 3.81	1,002
16	67210 1" General Service	530,000	\$ 3.81	2,019
17	67212 1.5" General Service	967,000	\$ 3.81	3,684
18	67205 5/8" G.S. Irrigation	155,000	\$ 3.81	591
19	67211 1" Irrigation	94,000	\$ 3.81	358
20	67214 1.5" Irrigation	762,000	\$ 3.81	2,903
21	67215 2" Irrigation	2,420,000	\$ 3.81	9,221
22				
23				
24				
25				
26				
27	Total Water Revenues		\$	351,383
28				
29			Misc Charges	2,017
30				
31			Total Revenues	\$ 353,400
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42	Average Bill:		Total Revenues	
43	Residential	\$ 21.15	\$ 320,461	
44	General Service	\$ 137.07	\$ 8,224	
45	Irrigation	\$ 53.66	\$ 22,698	

See p1 for Bill and Gallon total

(1) Consolidated Factor (Column 7, Schedule E-14) is used for tiered gallons

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Schedule Year Ended: December 31, 2005
 Water [] or Sewer [x]
 Interim [] or Final [x]
 Historic [x] or Projected []

Schedule: E-2 Revised
 Page 4 of 6
 Preparer: Steven Dihel

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

Line No.	(1) Class/Meter Size	(2) Test Year		(4) Test Year (2)		(6) Test Year Revenue	(7) Test Year Revenue Adjustment
		1-1 to 10-1 Invoices/Gal	10-2 to 12-31 Invoices/Gal	Rate 1-1 to 10-1	Rate 10-2 to 12-31		
Sewer Customers							
1	67221 5/8" Residential Base Charge	11,351.81	3,798.19	\$ 14.00	\$ 14.36	\$ 213,467	\$ 4,087
2	67229 5/8" General Service Base Charge	18.06	5.94	\$ 14.00	\$ 14.36	338	7
3	67230 1" General Service Base Charge	9.03	2.97	\$ 35.01	\$ 35.92	423	8
4	67232 1.5" General Service Base Charge	18.06	5.94	\$ 70.04	\$ 71.86	1,692	33
5							
6							
7							
8	Gallonge Charge per 1,000 Gallons						
9	67221 5/8" Residential (8,000 Gal. Cap) (1) (2)	35,118,806	10,890,194	\$ 2.85	\$ 2.92	131,888	2,458
10	67229 5/8" General Service	200,613	62,387	\$ 3.41	\$ 3.50	902	18
11	67230 1" General Service	400,645	129,355	\$ 3.41	\$ 3.50	1,819	36
12	67232 1.5" General Service	783,871	163,129	\$ 3.41	\$ 3.50	3,314	71
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23	Total Sewer Revenues					\$ 353,843	\$ 6,717
24							
25							
26							
27							
28	Revenues per General Ledger		351,262				
29	Adjustments		2,898				
30	Adjusted Revenues per General Ledger		<u>\$ 354,160</u>				
31							
32	Revenues per Above		<u>358,741</u>				
33	Unreconcilable Difference		<u>\$ (2,581)</u>				
34	Unreconcilable Difference Percent		-1%				
35							
36							
37							
38							
39							
40							
41							
42	Average Bill:			Total Bills	Total Revenues	Total Gallons	
43	Residential	\$ 22.80		15,150.00	\$ 345,355	46,009,000	
	General Service	\$ 141.47		60.00	\$ 8,488	1,760,000	

(1) Residential class customers have maximum monthly gallonge charge of 8,000 gallons.
 (2) Consolidated Factor (Column 7, Schedule E-14) is used for capped gallons
 (3) These bill codes had a rate change between bill cycles. Therefore, the number of bills are prorated based on the following:
 number of bills * [number of days @ respective rate / total days in bill cycle]

Calculation of TYE 12/31/05 Sewer Revenues
With an adjustment for Index.

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
Docket No.: 060257-WS
Test Year End: December 31, 2005
Schedule Year Ended: December 31, 2005
Water [] or Sewer [x]
Interim [] or Final [x]
Historic [x] or Projected []

Schedule: E-2
Page 5 of 6 Revised
Preparer: Steven DiHel

Explanation: Calculation of Water Revenues on test year customer adjusted for approved interim rate increase.

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(3) Interim Rate	(4) Annualized Revenue
Sewer Customers				
1	67221 5/8" Residential Base Charge	15,150	\$ 11.19	\$ 169,551
2	67229 5/8" General Service Base Charge	24	\$ 11.19	269
3	67230 1" General Service Base Charge	12	\$ 27.98	336
4	67232 1.5" General Service Base Charge	24	\$ 55.96	1,343
5				
6				
7				
8	Gallonge Charge per 1,000 Gallons			
9	67221 5/8" Residential (8,000 Gal. Cap) ^{(1) (2)}	46,009,000	\$ 5.35	245,957
10	67229 5/8" General Service	263,000	\$ 6.42	1,687
11	67230 1" General Service	530,000	\$ 6.42	3,400
12	67232 1.5" General Service	967,000	\$ 6.42	6,203
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23	Total Sewer Revenues			\$ 428,745
24				
25			Misc Revenues	2,898
26				
27			Total Revenues	\$ 431,643
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41	Average Bill:		Total Revenues	
42	Residential	\$ 27.43	\$	415,507
43	General Service	\$ 220.63	\$	13,238

See p4 for Bill and Gallon total

(1) Residential class customers have maximum monthly gallonge charge of 8,000 gallons.

(2) Consolidated Factor (Column 7, Scheule E-14) is used for capped gallons

Calculation of Non Repressed Revenues

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 060257-WS
 Test Year End: December 31, 2005
 Schedule Year Ended: December 31, 2005
 Water [] or Sewer [x]
 Interim [] or Final [x]
 Historic [x] or Projected []

Schedule: E-2 Revised
 Page 6 of 8
 Preparer: Steven DiHel

Explanation: Calculation of Proposed Rates

Line No.	(1) Class/Meter Size	(2) Test Year Invoices/Gal	(3) Proposed Rate	(4) Proposed Revenue
Sewer Customers				
1	67221 5/8" Residential Base Charge	15,150	\$ 13.33	\$ 201,907
2	67229 5/8" General Service Base Charge	24	\$ 13.33	320
3	67230 1" General Service Base Charge	12	\$ 33.32	400
4	67232 1.5" General Service Base Charge	24	\$ 66.64	1,599
5				
6				
7				
	B: Charge per 1,000 Gallons			
9	67221 5/8" Residential (8,000 Gal. Cap) (1) (2)	46,009,000	\$ 6.37	292,895
10	67229 5/8" General Service	263,000	\$ 7.64	2,009
11	67230 1" General Service	530,000	\$ 7.64	4,049
12	67232 1.5" General Service	967,000	\$ 7.64	7,387
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27	Total Sewer Revenues			\$ 510,566
28				
29			Misc Charges	2,898
30				
31			Total Revenues	\$ 513,464
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42	Average Bill:			Total
43	Residential	\$ 32.66	\$	494,802
	General Service	\$ 262.73	\$	15,764

See p4 for Bill and Gallon total

(1) Residential class customers have maximum monthly gallonage charge of 8,000 gallons.

(2) Consolidated Factor (Column 7, Schedule E-14) is used for capped gallons