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April 2, 2008

D. BRUCE MAY, JR.
850-425-5607
bruce.may@hklaw.com

VIA HAND DELIVERY

080197

Ann Cole, Director
Division of Commission Clerk and
Administrative Services
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED--FPSC
08 APR -2 PM 3:55
COMMISSION
CLERK

Re: In re: Application by B & C Water Resources, L.L.C. for approval of a new
bulk raw water classification of service and approval of revised service
availability policy and charges ("Application")

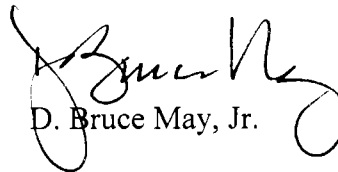
Dear Ms. Cole:

Enclosed for filing on behalf of B & C Water Resources, L.L.C. are: (i) the original
and twelve copies of the referenced Application and attached exhibits; (ii) the original and
two copies of the revised tariff provisions associated with this filing; and (ii) a check for the
filing fee in the amount of \$1,750.00.

Please acknowledge receipt of this filing by stamping the extra copy of this letter
"filed" and returning the copy to me. Thank you for your assistance.

Sincerely,

HOLLAND & KNIGHT LLP


D. Bruce May, Jr.

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- SEC _____
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Org. Tariffs forwarded to ECR

DBM:kjg

Enclosures

cc: Paul Hossain

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application by B & C Water Resources, L.L.C. for approval of a new bulk raw water classification of service and approval of revised service availability policy and charges.

Docket No. 080197

Filed: April 2, 2008

_____ /

APPLICATION FOR APPROVAL OF A NEW BULK RAW WATER CLASSIFICATION OF SERVICE AND APPROVAL OF REVISED SERVICE AVAILABILITY POLICY AND CHARGES

B & C Water Resources, L.L.C. (the "Utility"), by and through its undersigned counsel, and pursuant to Sections 367.091 and 367.101, Florida Statutes, and Rule 25-30.565, Florida Administrative Code, respectfully applies for approval of a new bulk raw water classification of service and a revised service availability policy and charges to reflect the new service classification. In support of the Application, the Utility states:

I. APPLICANT INFORMATION

1. The name and address of the applicant utility is:

B&C Water Resources, L.L.C.
1 Concourse Parkway - Suite 755
Atlanta, Georgia 30328

2. The name and address of the utility's authorized representative is:

D. Bruce May, Jr.
Holland & Knight LLP
Post Office Drawer 810
Tallahassee, Florida 32302-0810
Telephone: (850) 224-7000
Fax: (850) 224-8832

II. NEW BULK RAW WATER CLASSIFICATION OF SERVICE

3. The Utility is a Commission-regulated water utility operating under Certificate

No. 626-W, with a service area in Baker and Union Counties, Florida. The rates for the Utility's

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water system were established by the Commission pursuant to Order No. PSC-04-1256-PAA-WU and Consummating Order No. PSC-05-0041-CO-WU issued in *In re: Application of B & C Water Resources, L.L.C. to operate a water utility in Baker and Union Counties, Florida*, Docket No. 04-1040-WU. These rates have not changed since the issuance of the referenced orders.

4. The Utility anticipates industrial development within its service area.

Consequently, the Utility is requesting approval of a new classification of service to enable it to provide industrial customers with bulk raw water service. The original and two copies of the proposed tariff revisions incorporating the new bulk raw water class of service and rates are attached hereto as Exhibit "A." This new classification of service and rates were developed pursuant to a cost of service study that is attached as Exhibit "B."

III. APPROVAL OF UPDATED SERVICE AVAILABILITY POLICY AND NEW CHARGES

5. The Utility's original service availability policy were approved by the Commission in Orders Nos. PSC-04-1256-PAA-WU and PSC-05-0041-CO-WU issued in *In re: Application of B & C Water Resources, L.L.C. to operate a water utility in Baker and Union Counties, Florida*, Docket No. 04-1040-WU.

6. In conjunction with the Utility's proposal to establish a new bulk raw water service classification, the Utility requests Commission approval of a new plant capacity charge for new bulk raw water customers. The new plant capacity charge was developed pursuant to the cost of service study attached as Exhibit "B" and in accordance with the service availability policy guidelines set forth in Rule 25-30.580, Florida Administrative Code. In addition, the Utility requests Commission approval of revisions to the narrative provisions of its service availability policy which make those provisions consistent with the policies approved by the Commission for the Utility's affiliate, D & E Water Resources, Inc., in Orders Nos. PSC-07-

0274-PAA-WS and PSC-07-0363-CO-WS issued in *In re: Application of D & E Water Resources, L.L.C. to operate a water and wastewater utility in Flagler and Volusia Counties, Florida*, Docket No. 060694-WS. The original and two (2) copies of the proposed tariff revisions to the Utility service availability policy are attached hereto as Exhibit "C."

7. Pursuant to Rule 25-30.565(2), the Utility prepared a Notice of Filing Application which is attached hereto as Exhibit "D". The notice will be published as a legal advertisement by the Baker County Standard and the Union County Times. Thereafter, B & C will submit a "Proof of Publication" as late-filed Exhibit "E". Additionally, the Utility will maintain copies of this Application and supporting exhibits in its office located at B&C Water Resources LLC c/o: Plum Creek Timber Company, P.O. Box 808, 10022 NW 129th Avenue, Lake Butler, FL 32054 which may be viewed during normal business hours.

8. Exhibit "F" is a composite schedule attached hereto which provides all applicable information required under Rule 25-30.565(4).

9. The foregoing information demonstrates that the proposed revisions to the Utility's service availability policy and charges are reasonable and consistent with the guidelines set forth in Rule 25-30.580, Florida Administrative Code.

III. FILING FEE

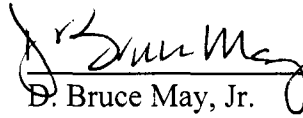
10. The filing fee of \$1,750 has been submitted to the Commission along with the application as required by Rule 25-30.020.

WHEREFORE, the Utility respectfully requests that the Commission:

- A. Approve the new bulk raw water classification of service as described herein;
- B. Approve its revised service availability policy and charges;
- C. Grant such other relief as appropriate.

Respectfully submitted this 2nd day of April, 2008.

HOLLAND & KNIGHT LLP

A handwritten signature in black ink, appearing to read "D. Bruce May, Jr.", is written over a horizontal line.

D. Bruce May, Jr.
Florida Bar No. 354473
Holland & Knight, LLP
315 South Calhoun Street, Suite 600
Tallahassee, Florida 32301
Post Office Drawer 810
Tallahassee, Florida 32302-0810
Phone: (850) 224-7000
Fax: (850) 224-8832

EXHIBIT A

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B & C WATER RESOURCES, L.L.C.

WATER TARIFF

BULK RAW WATER SERVICE

RATE SCHEDULE BRWS

- AVAILABILITY - Available for all requests for bulk water purchased for treatment and resale.
- APPLICABILITY - Available for all requests for bulk water purchased for treatment and resale.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -

Base Facility Charge:	\$ 2,529.42
Gallage Charge per 1,000 gallons:	\$ 0.8061

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Amended Application

DOCUMENT NUMBER-DATE
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THOMAS LINDQUIST
 ISSUING OFFICER

EXECUTIVE V.P.
 TITLE

B & C WATER RESOURCES, L.L.C.

WATER TARIFF

BULK RAW WATER SERVICE

RATE SCHEDULE BRWS

- AVAILABILITY - Available for all requests for bulk water purchased for treatment and resale.
- APPLICABILITY - Available for all requests for bulk water purchased for treatment and resale.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - ~~N/A~~Monthly
- RATE - N/A

Base Facility Charge: \$ 2,529.42

Gallonage Charge per 1,000 gallons: \$ 0.8061

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - ~~Original Certificate~~Amended Application

THOMAS LINDQUIST
ISSUING OFFICER

EXECUTIVE V.P.
TITLE

EXHIBIT B

DOCUMENT NUMBER-DATE

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February 29, 2008
GAI # A040005.00

Mr. Paul Hossain, P.E., BCEE
B & C Water Resources, L.L.C.
One Concourse Pkwy NE, Suite 755
Atlanta, GA 30328

Subject: Bulk Raw Water Service – Cost of Service Study

Dear Mr. Hossain:

GAI Consultants, Inc. (GAI) is pleased to present herein the Bulk Raw Water Service Cost of Service Study (the "Study") prepared for B & C Water Resources, L.L.C. (B&C). This Study contains the salient details and supporting analysis associated with developing the proposed monthly rates and charges as well as the Service Availability Charges for the proposed bulk raw water service to be provided by B&C. As such, this Study present the cost, by NARUC account numbers and the capacity of the proposed plant expansion, the proposed completion time and the capacity that will be added to the overall system.

We appreciate the opportunity to be of service in this matter and thank B&C and its staff for the valuable cooperation and assistance in completion of this Study.

Very truly yours,

GAI Consultants, Inc.

Gerald C. Hartman, P.E., BCEE, ASA

Tara L. Hollis, C.P.A., M.B.A.

Attachment

TLH/jev/A040005.00/corresp/
Hossain-Cost of Service cvr itr

Cc: D. Bruce May, Esquire

DOCUMENT NUMBER-DATE
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**B & C WATER RESOURCES, L.L.C.
RAW WATER SERVICE
COST OF SERVICE STUDY**

WATER RATE BASE AND CAPITAL STRUCTURE

The raw water service water rate base will be divided into five components: water utility plant in service, accumulated depreciation, contributions in aid of construction, amortization of CIAC and working capital. Since the raw water facilities do not currently exist, the water utility plant in service is based upon an engineering cost estimate. As shown on **Schedule 1** and detailed on **Schedule 1A**, the total raw water facilities water utility plant in service total is \$1,269,965.

The accumulated depreciation for the raw water facilities is based upon the recommended Florida Public Service Commission service lives stated in Rule 25.30.140 F.A.C. The accumulated depreciation has been computed through Year 2 based upon the average estimated age of the facilities. **Schedule 2** presents the results of this depreciation study. The total accumulated depreciation of the raw water facilities at the end of Year 2 is \$63,488.

The Contributions-In-Aid-of-Construction (CIAC) for the raw water service will be based upon a service availability charge of \$311.14 per equivalent residential connection. An equivalent residential connection will be defined as 350 gallons per day, thus the proposed one million gallons per day of raw water service in the first phase will provide \$888,971 in CIAC. This provides for a contribution level of approximately seventy percent which is within the guidelines in Rule 25-30.580 F.A.C. This contribution is projected to be paid by Year 2.

Based upon the composite depreciation rate of approximately 3.33 percent, the amortization of the CIAC through the end of Year 2 will be \$44,441. The working capital for the raw water rate base is based upon one eighth of the annual projected operation and maintenance expenses. The water rate base for the raw water service is \$394,723. **Schedule 3** provides a summary of the components of the water rate base.

Schedule 4 indicates the capital structure for the raw water service. A 60 percent to 40 percent debt to equity ratio will be maintained by the utility. The cost of the long term debt will be 6.8 percent and the return on owner's equity is based upon the 2007 FPSC leverage formula. The overall rate of return is 8.88 percent.

EXPENSES

The primary costs that are typically associated with the operation and maintenance (O&M) of a raw water treatment facility are:

- Labor
- Chemical
- Power
- Fuel
- Maintenance
- Contractual Services
- Administration
- Rents

The other expenses associated with the raw water facilities include depreciation, CIAC amortization adjustment, regulatory assessment fees and payroll taxes. *The annual depreciation expense is based upon the same service lives used to determine the accumulated depreciation.* The CIAC amortization adjustment is a deduction from the revenue requirement based upon the amortization rate of the CIAC. The regulatory assessment fees are based on 4.5 percent of the gross revenues to operate the Raw Water facilities. The payroll taxes, in the form of social security, are based on the employer contributing 7.65 percent of the employee's gross salary. The projected O&M expenses, as shown on **Schedule 5**, include a rental payment. This payment is intended to compensate the landowners, Plum Creek Timberlands, L.P. and Plum Creek Land Company, for the use of the land and the lost opportunity to the landowner as a result of B & C Water Resources, L.L.C. utilizing the property for utility purposes. The rental payment has been calculated in terms of both well location and demand. The

payment has been set at \$100.00 per well site per year and includes up to 4,000,000 gallons of water withdrawals from the entire service area annually. If annual withdrawals exceed 4,000,000 gallons, an additional payment of \$0.10 per 1,000 gallons will be incurred.

REVENUE REQUIREMENT AND RATES

The revenue requirement for the raw water service for Year 2 is shown on **Schedule 6** using the overall rate of return of 8.88 percent. **Schedule 5** presents the allocation of the various revenue component items to the base facility charge and gallonage charge. The monthly rates indicated on **Schedule 5** are based upon a single bill to the anticipated first customer and average daily usage of one million gallons.

SERVICE AVAILABILITY POLICY

The proposed raw water facilities will be 100 percent useful at the time the raw water service is made available and no additional facilities are projected at this time. Assuming similar types and sizes of facilities are constructed for any future raw water customers, the \$311.14 per equivalent residential connection of 350 gallons per day will be maintained. B & C Water Resources, L.L.C. wishes to maintain the ability to negotiate the service availability charge with the raw water customer depending upon its needs in an effort to maintain the level of CIAC at approximately 70 to 75 percent of the construction costs.

Due to the existing conditions within the proposed service area, B & C Water Resources, L.L.C. will be providing the raw water service to the closest hydraulically capable point of the raw water customers' transmission system. Any future raw water customer will be provided the raw water transmission service to the utility's proposed service area boundary line at which point the raw water meter will be located. Beyond this point it will be the responsibility of the raw water service customer to transmit the water to its ultimate destination.

**SCHEDULE 1
B&C WATER RESOURCES, L.L.C.
RAW WATER SERVICE
CAPITAL ASSETS**

<u>Acct No.</u>	<u>Description</u>	<u>Estimated Cost</u>
301	Organization	\$ 16,440
302	Franchises	-
303	Land and Land Rights	-
304	Structures and Improvements	-
305	Collecting and Impounding Reservoirs	-
306	Lake, River and Other Intakes	-
307	Wells and Springs	498,750
309	Supply Mains	178,000
310	Power Generation Equipment	186,400
311	Pumping Equipment	281,625
320	Water Treatment Equipment	-
330	Distribution Reservoirs and Standpipes	-
331	Transmission and Distribution Mains	-
333	Services	-
334	Meters and Meter Installations	81,250
335	Hydrants	-
339	Other Plant and Miscellaneous Equipment	14,625
340	Office Furniture and Equipment	4,125
341	Transportation Equipment	6,250
343	Tools, Shop and Garage Equipment	2,500
345	Power Operated Equipment	-
348	Other Tangible Plant	-
	Total	\$ 1,269,965
	Service Availability Charge per ERC (350 GPD)	\$ 311.14
	Gallons of Service Sold (Gallons per Day)	1,000,000
	CIAC	\$ 888,971

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**SCHEDULE 1A
B&C WATER RESOURCES, L.L.C.
RAW WATER SERVICE
CAPITAL ASSET DETAIL**

Item Name	In Service Year	Per Unit Cost	Quantity	Total Cost
301 Organization				
Organizational Costs	1	\$ 16,440.00	1	\$ 16,440
Subtotal Organizational Costs				\$ 16,440
307 Wells and Springs				
10" Well, 350' depth including casing and development	1	\$ 166,250.00	3	\$ 498,750
Subtotal Wells and Springs				\$ 498,750
309 Supply Mains				
10" PVC Pipe	1	\$ 62.50	1,000'	\$ 62,500
8" PVC Pipe	1	\$ 50.00	1,200'	\$ 60,000
Valves	1	\$ 5,000.00	5	\$ 25,000
10" Specials	1	\$ 11,250.00	1	\$ 11,250
8" Specials	1	\$ 13,500.00	1	\$ 13,500
Blow-off and Foot valve	1	\$ 5,750.00	1	\$ 5,750
Subtotal Supply Mains				\$ 178,000
310 Power Generation Equipment				
Mobile 75 kVA unit	1	\$ 186,400.00	1	\$ 186,400
Subtotal Organizational Costs				\$ 186,400
311 Pumping Equipment				
350 gpm HSP	1	\$ 25,000.00	3	\$ 75,000
50 HP motor	1	\$ 12,500.00	3	\$ 37,500
6" Discharge Piping	1	\$ 5,250.00	3	\$ 15,750
4" Meters and Valves	1	\$ 14,500.00	3	\$ 43,500
Appurtenances	1	\$ 5,875.00	3	\$ 17,625
Motor Control Centers, panels, etc	1	\$ 12,000.00	3	\$ 36,000
Transformer	1	\$ 31,250.00	1	\$ 31,250
LS General Conduit	1	\$ 25,000.00	1	\$ 25,000
Subtotal Pumping Equipment				\$ 281,625
334 Meters and Meter Installations				
8" Bypass	1	\$ 3,750.00	1	\$ 3,750
Valve/Meter Vault	1	\$ 22,500.00	1	\$ 22,500
Traffic Lid/Bilco Hatches	1	\$ 11,250.00	1	\$ 11,250
4" Meter - 1% with inst. Accuracy	1	\$ 12,500.00	1	\$ 12,500
RTU	1	\$ 10,000.00	1	\$ 10,000
Power/Electric	1	\$ 6,250.00	1	\$ 6,250
6" - GVs	1	\$ 5,000.00	3	\$ 15,000
Subtotal Meters and Meter Installations				\$ 81,250
339 Other Plant and Miscellaneous Equipment				
Replacement Bowls	1	\$ 4,000.00	2	\$ 8,000
Spare Parts	1	\$ 3,375.00	1	\$ 3,375
Inserts and Cam locks	1	\$ 3,250.00	1	\$ 3,250
Subtotal Other Plant and Miscellaneous Equipment				\$ 14,625

SCHEDULE 1A
B&C WATER RESOURCES, L.L.C.
RAW WATER SERVICE
CAPITAL ASSET DETAIL

Item Name	In Service Year	Per Unit Cost	Quantity	Total Cost
340 Office Furniture and Equipment				
Miscellaneous	1	\$ 4,125.00	1	\$ 4,125
Subtotal Office Furniture and Equipment				<u>\$ 4,125</u>
341 Transportation Equipment				
Miscellaneous	1	\$ 6,250.00	1	\$ 6,250
Subtotal Transportation Equipment				<u>\$ 6,250</u>
343 Tools, Shop and Garage Equipment				
Miscellaneous	1	\$ 2,500.00	1	\$ 2,500
Subtotal Tools, Shop and Garage Equipment				<u>\$ 2,500</u>
Total Capital Costs				\$ 1,269,965

**SCHEDULE 2
B&C WATER RESOURCES, L.L.C.
RAW WATER SERVICE
ACCUMULATED DEPRECIATION AS OF YEAR 2**

Acct No.	Description	Amount	Service Life	Age	Accumulated Depreciation
301	Organization	\$ 16,440	40	1.50	\$ 617
302	Franchises				
303	Land and Land Rights				
304	Structures and Improvements				
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs	498,750	30	1.50	24,938
309	Supply Mains	178,000	35	1.50	7,629
310	Power Generation Equipment	186,400	20		
311	Pumping Equipment	281,625	20	1.50	21,122
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations	81,250	20	1.50	6,094
335	Hydrants				
339	Other Plant and Miscellaneous Equipment	14,625	25	1.50	878
340	Office Furniture and Equipment	4,125	15	1.50	413
341	Transportation Equipment	6,250	6	1.50	1,563
343	Tools, Shop and Garage Equipment	2,500	16	1.50	234
345	Power Operated Equipment				
348	Other Tangible Plant				
	Total	\$ 1,269,965			\$ 63,488

**SCHEDULE 3
B&C WATER RESOURCES, L.L.C.
RAW WATER SERVICE
WATER RATE BASE - YEAR 2**

	<u>Amount</u>
Water Utility Plant in Service	\$ 1,269,965
Land	-
Accumulated Depreciation	(63,488)
Contributions-In-Aid-of-Construction	(888,971)
Amortization of CIAC	44,441
Working Capital	<u>32,776</u>
	\$ 394,723

**SCHEDULE 4
B&C WATER RESOURCES, L.L.C.
RAW WATER SERVICE
PROJECTED CAPITAL STRUCTURE AND RATE OF RETURN - YEAR 2**

	<u>Amount of Capital</u>	<u>Weight</u>	<u>Cost Rate ⁽¹⁾⁽²⁾</u>	<u>Weighted Cost</u>
Equity	\$ 157,889	40.00%	12.01%	4.800%
Debt	236,834	60.00%	6.80%	4.080%
Total	\$ 394,723	100.00%		8.880%

Note:

- (1) FPSC Order # PSC-07-526-CO-WS, issued June 25, 2007, establishes the following leverage formula for 2007:
Return on Equity = 7.10% + 1.961/Equity Ratio, and the Allowable Range of Return = 9.06% @ 100% Equity
to 12.01% @ 40% Equity.
- (2) For related party debt, cost is equal to the 10-year average of the prime rate.

**SCHEDULE 5
B&C WATER RESOURCES, L.L.C.
RAW WATER SERVICE
RATE STRUCTURE**

Revenue Component	Total Amount	Allocations		Base Facility Cost	Base Facility Charge	Gallonge Cost	Gallonge Charge
		Base Facility Charge	Gallonge Charge				
Operation & Maintenance Expenses							
Salaries and Wages - Emp.	\$ 31,000	25.00%	75.00%	\$ 7,750.00	\$ 645.83	\$ 23,250.00	\$ 0.0637
Employee Benefits	12,400	25.00%	75.00%	3,100.00	\$ 258.33	9,300.00	0.0255
Purchased Water	-	0.00%	100.00%	-	-	-	-
Purchased Power	165,600	0.00%	100.00%	-	-	165,600.00	0.4537
Fuel for Power Prod.	-	0.00%	100.00%	-	-	-	-
Chemicals	300	0.00%	100.00%	-	-	300.00	0.0008
Materials and Supplies	3,000	0.00%	100.00%	-	-	3,000.00	0.0082
Contractual Services	3,000	0.00%	100.00%	-	-	3,000.00	0.0082
Rents	36,400	25.00%	75.00%	9,100.00	\$ 758.33	27,300.00	0.0748
Transportation Exp.	400	0.00%	100.00%	-	-	400.00	0.0011
Insurance Exp.	1,400	100.00%	0.00%	1,400.00	\$ 116.67	-	-
Regulatory Comm. Exp.	-	50.00%	50.00%	-	-	-	-
Bad Debt Exp.	-	50.00%	50.00%	-	-	-	-
Misc. Exp.	6,340	25.00%	75.00%	1,585.00	\$ 132.08	4,755.00	0.0130
Depreciation Expense	42,325	25.00%	75.00%	10,581.00	\$ 881.75	31,743.75	0.0870
CIAC Amortization Adjustment	(29,627)	25.00%	75.00%	(7,407.00)	\$ (617.25)	(22,220.25)	(0.0609)
Regulatory Assessment Fees	14,605	25.00%	75.00%	3,651.00	\$ 304.25	10,953.75	0.0300
Payroll Tax	2,370	25.00%	75.00%	593.00	\$ 49.42	1,777.50	0.0049
Return on Investment	35,051	0.00%	100.00%	-	-	35,051.00	0.0960
Total Revenue and Rates	\$ 324,564			\$ 30,353.00	\$ 2,529.42	\$ 294,210.75	\$ 0.8061

**SCHEDULE 6
B&C WATER RESOURCES, L.L.C.
RAW WATER SERVICE
REVENUE REQUIREMENT - YEAR 2**

	<u>Amount</u>
Operating and Maintenance Expense	\$ 259,840
Depreciation Expense	42,325
CIAC Amortization	(29,627)
Regulatory Assessment Fee (4.5%)	14,605
Payroll Tax	<u>2,370</u>
Total Expenses	\$ 289,513
Return on Investment	<u>35,051</u>
Revenue Requirement	\$ 324,564

EXHIBIT C

B & C WATER RESOURCES, L.L.C.
WATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

<u>Description</u>	<u>Refer to Service Availability Policy</u>	<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".....		\$ ¹	
<u>Customer Connection (Tap-in) Charge</u>			
5/8" metered service.....		\$	
1" metered service.....		\$	
1 1/2" metered service.....		\$	
2" metered service.....		\$	
Over 2" metered service.....		\$ ¹	
<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.....		\$ ¹	
<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".....		\$	200.00
3/4".....		\$	250.00
1".....		\$	300.00
1 1/2".....		\$	450.00
2".....		\$	600.00
Over 2".....		\$ ¹	
<u>Plan Review Charge</u>		\$ ¹	
<u>Plant Capacity Charge</u>			
Residential-per ERC (350 GPD).....		\$	293.66
General Service per ERC (350 GPD).....		\$	293.66
Bulk Raw Water Service per ERC (350 GPD).....		\$	311.14
All others-per gallon.....		\$	0.84
<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 - Amended Application

THOMAS LINDQUIST
 ISSUING OFFICER
EXECUTIVE V.P.
 TITLE

B & C WATER RESOURCES, L.L.C.

WATER TARIFF

SERVICE AVAILABILITY POLICY

The provisions of this policy are available throughout the territory served by the Utility. The Utility adopts herein, by reference, Part VI, Chapter 25-30, Florida Administrative Code.

Fees and Charges

Each new connection to the system shall pay the applicable service availability fees and charges shown on Tariff Sheet No. 18.0.

Policies Applicable to Developers

Developers will construct and convey, at no cost to the Utility, all on-site water distribution facilities, off-site water transmission facilities, pump stations, hydrants, and water meters pursuant to the standards and specifications of the Utility. Conveyance of the facilities by the Developer and acceptance of the facilities by the Utility will take place upon the successful completion of the following:

1. Inspection by representatives of the Utility.
2. Transmittal of a one year warranty against defects in materials or workmanship.
3. Transmittal of a complete statement of cost to construct by NARUC chart of accounts.
4. Transmittal of a bill of sale together with perpetual rights-of-way and easements for appropriate access to facilities as well as complete as-built plans for all such lines and facilities.

Furthermore, at the Utility's option, where facilities, either on-site or off-site, are required to serve more than one developer, the first developer may be required to construct oversized facilities. In that event, subsequent developers, builders, and individuals who connect to those facilities or use those facilities may be required to pay their prorate share of the costs of the facilities, which will be refunded to the developer who constructed the facilities, less a reasonable administrative fee, not to exceed 10%, to be retained by the Utility.

EFFECTIVE DATE -

TYPE OF FILING - Amended Application

THOMAS LINDQUIST
ISSUING OFFICER

EXECUTIVE V.P.
TITLE

B & C WATER RESOURCES, L.L.C.
WATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

<u>Description</u>	<u>Amount</u>	<u>Refer to Service Availability Policy Sheet No./Rule No.</u>
<u>Back-Flow Preventor Installation Fee</u>		
5/8" x 3/4"	\$	
1"	\$	
1 1/2"	\$	
2"	\$	
Over 2"	\$ ¹	
<u>Customer Connection (Tap-in) Charge</u>		
5/8" metered service	\$	
1" metered service	\$	
1 1/2" metered service	\$	
2" metered service	\$	
Over 2" metered service	\$ ¹	
<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	\$ ¹	
Inspection Fee	\$ 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"	\$	200.00
3/4"	\$	250.00
1"	\$	300.00
1 1/2"	\$	450.00
2"	\$	600.00
Over 2"	\$ ¹	
Plan Review Charge	\$ ¹	
<u>Plant Capacity Charge</u>		
Residential-per ERC (350 GPD)	\$	293.66
General Service per ERC (350 GPD)	\$	293.66
Bulk Raw Water Service per ERC (350 GPD)	\$	311.14
All others-per gallon	\$	0.84
<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 - Original Certificate- Amended Application

THOMAS LINDQUIST
ISSUING OFFICER

EXECUTIVE V.P.
TITLE

B & C WATER RESOURCES, L.L.C.

WATER TARIFF

SERVICE AVAILABILITY POLICY

~~The Company will provide service to any customer within its certificated territory requesting service upon application and payment of the required meter installation and plant capacity charges as shown on Tariff Sheet No. The provisions of this policy are available throughout the territory served by the Utility. The Utility adopts herein, by reference, Part VI, Chapter 25-30, Florida Administrative Code.~~

Fees and Charges

~~Each new connection to the system shall pay the applicable service availability fees and charges shown on Tariff Sheet No. 18. Service provided will be in compliance with such requirements as may be appropriate under the provisions of the Company's tariff and the rules and statutes of the Florida Public Service Commission and the State of Florida.~~

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

Policies Applicable to Developers

Developers will construct and convey, at no cost to the Utility, all on-site water distribution facilities, off-site water transmission facilities, pump stations, hydrants, and water meters pursuant to the standards and specifications of the Utility. Conveyance of the facilities by the Developer and acceptance of the facilities by the Utility will take place upon the successful completion of the following:

1. Inspection by representatives of the Utility.
2. Transmittal of a one year warranty against defects in materials or workmanship.
3. Transmittal of a complete statement of cost to construct by NARUC chart of accounts.
4. Transmittal of a bill of sale together with perpetual rights-of-way and easements for appropriate access to facilities as well as complete as-built plans for all such lines and facilities.

Furthermore, at the Utility's option, where facilities, either on-site or off-site, are required to serve more than one developer, the first developer may be required to construct oversized facilities. In that event, subsequent developers, builders, and individuals who connect to those facilities or use those facilities may be required to pay their prorata share of the costs of the facilities, which will be refunded to the developer who constructed the facilities, less a reasonable administrative fee, not to exceed 10%, to be retained by the Utility.

EFFECTIVE DATE –

TYPE OF FILING –Original Certificate- Amended Application

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

EXHIBIT D

DOCUMENT NUMBER - DATE

02552 APR -2 88

FPSC-COMMISSION CLERK

**NOTICE OF APPLICATION FOR APPROVAL OF REVISED
SERVICE AVAILABILITY POLICY AND NEW CHARGES BY
B & C WATER RESOURCES, L.L.C.**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

(Section 357.101, Florida Statutes)

LEGAL NOTICE

Pursuant to Section 367.101, Florida Statutes, and Rules 25-30.4345 and 25-30.565, Florida Administrative Code, notice is hereby given this ___ day of _____, 2008 by B & C Water Resources, L.L.C. ("B & C"), One Concourse Parkway, Suite 755, Atlanta, Georgia 30328, of its Application for Approval of Revised Service Availability Policy and Charges to the new water and wastewater customers in Baker and Union Counties, Florida. The utility is in the process of filing with the Florida Public Service Commission an application to establish a new plant capacity charge for a new bulk raw water service customers. This requested new plant capacity charge is to pay for growth in the utility's bulk raw water system, and the requested charges are to be paid for by new bulk raw water service customers. The revised policy and new charges will have no impact on existing customers of the Utility. Copies of the application are available for public inspection at B&C Water Resources LLC c/o: Plum Creek Timber Company, P.O. Box 808, 10022 NW 129th Avenue, Lake Butler, FL 32054 during normal utility office hours, which are 7:30 a.m. to 4:00 p.m., Monday through Friday. The new plant capacity charge for bulk raw water service is as follows:

Description	Proposed Charge
Bulk Raw Water Service per ERC (350 GPD)	\$311.14

Any comments concerning the charges should be addressed to the Florida Public Service Commission, Office of the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870.

EXHIBIT E
(LATE-FILED)

EXHIBIT F

EXHIBIT F
B & C Water Resources, L.L.C.

Utility Plant in Service and Accumulated Depreciation as of 12/31/07

Acct No.	Description	Utility Plant in Service	Accumulated Depreciation	Net Utility Plant
301	Organization	\$ 50,000	\$ (1,875)	\$ 48,125
304	Structures and Improvements	8,322	(312)	8,010
307	Wells and Springs	103,308	(3,826)	99,482
310	Power Generation Equipment	27,479	(2,524)	24,955
311	Pumping Equipment	12,780	(752)	12,028
320	Water Treatment Equipment	12,000	(706)	11,294
330	Distribution Reservoirs and Standpipes	3,500	(106)	3,394
334	Meters and Meter Installations	680	(40)	640
	Totals	\$ 218,069	\$ (10,141)	\$ 207,928

Capacity of Existing Facilities - 0.144 MGD

Number of Active Customers and ERCs

Active Customers - Retail: 8 Customers (245 member families)

Equivalent Residential Connections - Retail: 69.30 ERCs

The Capacity of the Water Distribution System

The capacity of the water distribution system used in the calculation of the new service availability policy for Bulk Raw Water Service is 5.0 MGD or 14,285.71 ERCs (1 ERC = 350 gpd). See Exhibit B.

The capacity of the existing water distribution system for general service/residential/retail customers is 411 ERCs.

Contributions-in-aid-of-Construction (CIAC)

CIAC as of 12/31/07: \$2,058

Accumulated Amortization of Contributions-in-aid-of-Construction (CIAC)

Accumulated Amortization of CIAC as of 12/31/07: \$43

Bulk Raw Water Utility Plant in Service, Capacity, and Timing

See Exhibit B.

Projected Growth Rate for Utilization of Existing and Future Plant and Line Capacity

Existing Plant and Line Capacity (Retail): 5% per year

Future Plant and Line Capacity (Bulk): 20% per year

EXHIBIT F
B & C Water Resources, L.L.C.

Calculation of Proposed Service Availability Charge

See Exhibit B.

Meter Installation Charges

No changes to the existing meter installation charges are proposed in this filing.

Proposed On-site and Off-site Main Installation Charges and Policy

No changes to the existing on-site and off-site main installation charges and policy are proposed in this filing.

Present Capital Structure Including Cost of Debt

The Company's current capital structure is 100% equity. For the bulk raw water system it is anticipated to be 40% equity and 60% debt at a rate of 6.80% for the debt. *See Exhibit B.*