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May 30, 2008

VIA E-FILING

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 070694-WS; Wedgefield Utilities, Inc.'s Application for Increase in Water Rates in Orange County, Florida
Our File No.: 30057.151

Dear Ms. Cole:

The following are the Utility's responses to the Commission Staff's April 30, 2008 correspondence identifying deficiencies in the MFRs submitted on March 31, 2008, on behalf of Wedgefield Utilities, Inc.:

Rule 25-30.437 (4) (a), Florida Administrative Code (F.A.C.), requires that each utility applying for a rate increase shall provide the information required by Commission Form PSC/ECR 20 (11/93), entitled "Class A and B Water and/or Wastewater Utilities Financial, Rate and Engineering Minimum Filing Requirements."

1. Schedules B-7, Operation and Maintenance Expense Comparison - Water; the total for Prior TY 6/30/99 does not tie to the O & M approved in Order No. PSC-00-0910-PCO-WU. Staff's position is that, because the utility's prior rate case resulted in a settlement agreement which provided, in part, that the Commission-approved interim rates became final, the last Commission approved O & M expenses are those included in Schedule 3-A of the interim order.

RESPONSE:

Please see the attached revised Schedule B-7 and Schedule B-8.

2. Schedule B-7, Operation and Maintenance Expense Comparison - Water: the instructions for this schedule require explanations of all differences which are not attributable to the change in customer growth and the CPI-U. The explanations provided for lines 1, 3, 5, 10, 11, 17, 21 and 46 merely state that the expense included in the line has increased. Please provide explanations as to why the increases are attributable to factors other than customer growth and the CPI-U.

RESPONSE:

The following refer to the lines in Schedule B-7, as noted above:

Line 1: Salaries & Wages: Increased expense over the last 8 years is attributable to the need to offer wages on a per person basis that are sufficient to attract and retain qualified licensed operators and field technicians. The minimum on-site staffing requirement for the Wedgefield WTP per FDEP Chapter 62-699.310(2)(e) mandates that a Florida Class C water treatment operator be present for a minimum of 3 hours/day, 5 days/week plus perform two weekend visits. With the completion of construction of the water treatment plant expansion to 1.037 mgd, plant staffing requirements will increase to 6 hours/day, 5 days/week plus two weekend visits. In addition, the customer base has nearly doubled in size during the last 8 years resulting in additional manpower needed to perform tasks such as administrative support, management, meter reading, monitoring, customer service, facility maintenance, repairs and emergency response.

Line 3: Employee Pensions & Benefits: Similar to the reasons described above, Employee Pensions & Benefits increased in order to provide a benefits package that was competitive with benefit packages offered by water and sewer utilities in the central Florida region, all of whom share a limited and shrinking labor pool of qualified operators.

Line 5: Purchased Power: Increased expense reflects the increase in the cost per unit of power purchased from the Orlando Utilities Commission, the energy provider in Wedgefield, over the last 8 years. Additionally, the quantity of purchased power has increased substantially due to the increase in the customer base. Additional customers generate a higher water demand, which causes the supply wells, treatment units, and pumping equipment to run more frequently and for longer duration. The conversion of the disinfection system to chloramination requires the distribution system to be flushed on a more frequent basis resulting in increased water demand. Also, the operation of the additional treatment facilities completed in 2008 will prospectively increase power consumption at the water treatment plant on a daily basis.

Line 10: Contractual Services - Accounting: These are primarily expenses associated with the annual external audit of the company's financial records, which reflects both the additional number of hours and the per hour cost to audit a significantly larger and more complex company compared to that of the 1999 test year.

Line 11: Contractual Services - Legal: There was a very small annual expense increase over the 1999 test year, less than $300. This is a nominal amount that reflects the need for legal services at a higher hourly rate compared to 1999.

Line 17: Transportation Expense: Increased expense is attributable to a large increase in the cost of fuel over the last 8 years, an increase in the number of miles driven per year, an increase in the cost to operate, maintain, and repair vehicles, and an increase in the number of vehicles needed to meet plant staffing requirements, perform customer service, read meters, maintain the distribution system, and respond to emergencies after normal business hours.

Line 21: Insurance - Other: Increased expense is attributable in large part to the large increase in medical insurance premiums over the last 8 years.

Line 46: Total of Materials, Supplies and Misc. Expenses: Increased expense is attributable to the increased unit cost of materials, supplies, tools, and equipment over the last eight (8) years, and to the use of larger quantities of materials and supplies as the water system has aged as well as grown in size and complexity.

3. Schedule E-4, Present and Proposed Miscellaneous Service Charges: the instructions state that if an increase is proposed, the utility must provide a schedule of derivation of charges, unless the charges are pursuant to the latest Staff Advisory Bulletin # 13. This bulletin has been rescinded; therefore, please provide a schedule of derivation of the proposed charges.

RESPONSE:

The Utility is requesting miscellaneous service charges of $21.00 during business hours, and $42.00 after hours, (which charges are consistent with what this Commission has recently approved for other subsidiaries of Utilities, Inc.), in order to create uniformity in the implementation of such charges. The Public Service Commission has recently authorized other subsidiaries of Utilities, Inc., to implement the miscellaneous service charges requested by Wedgefield Utilities, Inc., in Docket Nos.: 060255-SU, 060256-SU, 060257-WS, 060254-SU, and 060261-WS. In each of those cases the Order acknowledges that the miscellaneous service charges contained in the now repealed Staff

Advisory Bulletin #13 are outdated and analyzed more recent Commission determinations. The Commission concluded that miscellaneous service charges of $21.00 for business hours, and $42.00 for after business hours were "cost based, reasonable, and consistent with these we have approved for other utilities" (See Order No. PSC-07-0199-PAA-WS). A calculation of those fees would generally be as follows:

During Business Hours:

Item:	Cost:
Labor ($23/hr. x 0.6 hours)	$13.80
Transportation	$7.00
Total	$21.80

After Hours:

Item:	Cost:
Labor ($23/hr. x 1.5 x 1.0 hours)*	$34.50
Transportation	$7.00
Total	$41.50

* Represents time and a half wage and the longer time it takes an employee to get to the customer's property after hours

4. A specific instruction for Schedule E-14 is to provide a billing analysis for each class of service by meter size. According to Schedule E-2, columns (3) and (4), the utility provides service to bill code 64907 representing general service 5/8" (no tax) customers. However, Schedule E-14 is missing a billing analysis for bill code 64907. Please provide this missing information.

RESPONSE:

The Utility believes that no deficiency exists in this regard. Please refer to Schedule E-14, Page 4 of 8, included in Volume II of the MFRs submitted on March 31, 2008, of behalf of Wedgefield Utilities, Inc.

5. The number of bills rendered by customer class shown on Schedule E-2 does not match the information provided on Schedule E-3. Specifically, Schedule E-3 does not contain columns indicating monthly customers billed information for either the residential irrigation class or the general service (no tax) class. Please resubmit Schedule E-3 with the requested information. Also, be aware that adding the two requested

columns of information will require adjusting the information already provided in columns (4) and (5) on Schedule E-3.

RESPONSE:

Please see the attached Schedule E-3 Revised.

Rule 25-30.110, F.A.C., requires that each utility shall furnish any information the Commission requests or requires for determining rates of the utility and that the information be consistent with and reconcilable with the utility's annual report to the Commission.

6. On Schedule C-6, page 1, the total net deferred tax at June 30, 2007, ($318.421) does not agree with the sum of the balances of the individual accounts shown on the same page. Further, the total does not tie to the 6/30/2007 balance ($329,898) shown in Column (2) of Schedule D-2. Please correct these discrepancies and reconcile the corrected balance to the deferred tax balance ($318,298) reflected on Schedule F-5 of the utility's 2006 Annual Report.

RESPONSE:

a. Re: *"On Schedule C-6, page 1, the total net deferred tax at June 30, 2007, ($318,421) does not agree with the sum of the balances of the individual accounts shown on the same page."*

Please see the attached Schedule C-6 - Revised, pages 1 of 5 and 5 of 5.

b. Re: *"Further the total does not tie to the 6/30/2007 balance ($329.898) shown in column (2) of Schedule D-2."*

Please see the attached Schedule D-2-Revised and the following reconciliation to C-6 Revised:

6/30/07 Deferred Income Taxes per C-6 Revised, page 1 of 5	$ 313,995
Wedgefield's share of ($417,573) affiliate audit adjustment	($ 4,426)
Balance per Schedule D-2 Revised	$309,569)

c. Re: *"Please correct these discrepancies and reconcile the corrected balance to the deferred tax balance ($318,298) reflected on Schedule F-5 of the utility's 2006 Annual Report."*

Deferred Income Tax per Schedule F-5 of the Utility's 2006 Annual Report	$ 318,298
Total Deferred Income Tax per Schedule C-6, 12/31/2006 Balance per Books	$ 318,300
Rounding	($ 2)
Reconciliation to Schedule F-5 of the Utility's 2006 Annual Report	$ 318,298

Rule 25-30.440(6), F.A.C., requires the utility to submit all health department and DEP construction and operation permits.

7. The construction and operating permits for the 2 magnetic ion exchange units, a transfer station, modification of the storage tank, and additional high service pump are not included in the utility's filing. Please submit the required construction and operating permits.

RESPONSE:

Please see the following attached items:

a. Permit Number WC48-0080718-009 to modify the Wedgefield Water Treatment System

b. Permit Number WC48-0080718-010 to rerate the Wedgefield Water Treatment Plant

Rule 25-30.4415, F.A.C., requires that, if the applicant proposes to include in its plant investment the cost of investment made in the public interest pursuant to Section 367.081(2), F.S. which investment was or will be required by agency rule, regulation, order or other directive, the applicant shall provide the following information to the Commission: (1) a copy of the rule regulation, order, or other regulatory directive that has required or will require the applicant to make improvement or the investment for which the applicant seeks recovery; (2) an estimate by a professional engineer, or other person knowledgeable in design and construction of water and wastewater plant, to establish the cost of the applicant's investment and period of time required for

completion of construction; and (3) an analysis showing the portion of the proposed rate increase that relates to the financial support for the investment.

8. The utility intends to add pro forma plant (generator enclosure replacement, raise valve boxes in the distribution system, 2 magnetic ion exchange units, a transfer station, modification of the storage tank, and additional high service pump). Please submit the information required by Rule 25-30.4415, F.A.C.

RESPONSE:

Generator Enclosure Replacement: According to Rule 62.555.320(14) F.A.C., the utility is required to "provide standby power for operation of that portion of the system's water source, treatment, and pumping facilities necessary to deliver drinking water meeting all applicable primary or secondary standards at a rate at least equal to the average daily water demand for the system." Although the 1986 generator and engine assembly located at the Wedgefield WTP were properly operated and maintained, the metal enclosure surrounding the generator unit had corroded after 21 years of service, was not repairable, and needed to be replaced in order to protect the functionality and remaining service life of the generator unit. The actual cost to replace the generator enclosure was $21,600 as shown on Schedule A-3. The work was completed in January 2008. No engineering design or permitting was required in order to complete this project since this was considered a maintenance activity by FDEP.

Raise valve boxes in the distribution system: According to Rule 62.555.350(2) F.A.C., "Suppliers of water shall keep all necessary public water system components in operation and shall maintain such components in good operating condition so the components function as intended. Preventive maintenance on electrical or mechanical equipment – including exercising of auxiliary power sources, checking the calibration of finished-drinking-water meters at treatment plants, testing of air or pressure relief valves for hydropneumatic tanks, and exercising of isolation valves – shall be performed in accordance with the equipment manufacturer's recommendations or in accordance with a written preventive maintenance program established by the supplier of water." Per DEP rule, all isolation valves throughout the distribution system must be accessible and functional and they must be exercised on a regular basis. In accordance with this rule, the utility conducted a thorough survey of all valves in the distribution system. As a result of that process, the survey identified nine (9) valves that were covered with either asphalt (where the valves were located in the roadway) or concrete (where the valves were buried below sidewalks). The project consisted of excavating the valves at each location, verifying the functionality of the valve, installing a valve box to finished grade and restoring the site to original condition. The cost of this effort was $35,700 and the

work was completed in August 2007. No engineering design or permitting was required in order to complete this project since this was considered a maintenance activity by FDEP.

Magnetic ion exchange units, a transfer station, modification of the storage tank, and additional high service pump: According to Rule 62.555.320(6) F.A.C., "Capacity of Drinking Water Source and Treatment Facilities. The total capacity of all water source and treatment facilities connected to a water system shall at least equal the water system's design maximum-day water demand (including design fire-flow demand if fire protection is being provided)." During the test year the Wedgefield WTP's permitted capacity as determined by FDEP was 0.576 million gallons per day. As shown in Schedule F-5 of the MFR's, the maximum day demand was 0.881 mgd in the test year. A review of the operational reports provided in the MFR's shows with increasing frequency that the Wedgefield WTP was exceeding its permitted capacity. The utility initiated a capacity analysis report as directed by FDEP in order to determine the capacity needed to serve the Wedgefield community, the plant modifications that would be needed to establish additional capacity, and any other treatment upgrades that would be needed in order to be in compliance with all FDEP regulations.

According to Rule 62.555.315(5)(a) F.A.C., the utility is required to "Provide aeration or other appropriate treatment of the water from the new or altered well to remove total sulfide as necessary. Recommended types of aeration treatment for different water quality ranges are listed in the table below, which is incorporated herein as guidance and not as a requirement. Direct chlorination shall not be used to remove (*i.e.*, oxidize) 0.3 mg/L or more of total sulfide unless the elemental sulfur formed during chlorination is removed." By virtue of having to increase plant capacity, the utility was obligated by DEP rule to comply with the total sulfide limit. Since Wedgefield's source water contained approximately 3 mg/L of total sulfide, which is ten times the amount that can be removed by direct chlorination, it was necessary to evaluate sulfide removal options using alternate means. Attached is the September 2006, "Preliminary Design Report" ("PDR") prepared by CPH Engineers that describes this effort. In September 2006, the utility made application to DEP to increase the permitted plant capacity as well as to provide for the removal of total sulfides as described in the PDR and which was approved in the DEP construction permit #48-0080718-009 issued on April 24, 2007. Also attached is a bid tabulation that describes the engineer estimate of probable cost as well as the bid amounts submitted by three qualified contactors. Sunshine Building and Development, the low bidder on the project, was awarded the contract and began construction in the second quarter of 2007. In March 2008, DEP cleared the use of new HSP#4 and rerated the WTP to 1.037 mgd. Construction of the treatment and pumping

facilities is now nearly complete with start-up scheduled for June 10, 2008. The project is scheduled to be on line by June 30, 2008, barring any last minute delays.

In addition to the PDR referenced above, please see the following attached items: (1) Letter from Department of Environmental Protection dated March 26, 2008, (2) Wedgefield WTP Expansion Bid Tabulation, and (4) referenced rules. Please also see relevant permitting documents under the response to item 7.

Very truly yours,

MARTIN S. FRIEDMAN
For the Firm

MSF/CWM/tlc
Enclosures

cc: John Hoy, Chief Regulatory Officer (w/enclosures) (via e-mail)
Rick Durham, Regional Vice President for Operations (w/o encs.) (via e-mail)
Patrick C. Flynn, Regional Director (w/enclosures) (via e-mail)
Ms. Kirsten E. Weeks (w/enclosures) (via e-mail)
Ms. Deborah Swain (w/enclosures) (via e-mail)
Mr. Frank Seidman (w/enclosures) (via e-mail)

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RESPONSE TO ITEM #1

Operation & Maintenance Expense Comparison - Water

Company: Wedgefield Utilities, Inc.
Docket No.: 070694-WS
Test Year Ended: June 30, 2007

Florida Public Service Commission

Schedule: B-7
Page 1 of 1
Preparer: Michelle Rochow

Explanation: Complete the following comparison of the applicant's current and prior test year O&M expenses before this Commission. Provide an explanation of all differences which are not attributable to the change in customer growth and the CPI-U. If the applicant has not had a previous rate case, use the year 5 years prior to the test year for comparison. Provide an additional schedule, if necessary, to explain differences.

Line No.	(1) Account No. and Name	(2) Prior TY 6/30/99	(3) Current TY 6/30/07	(4) TY Adj.'s per B-3	(5) Adjusted TY	(6) $ Difference	(7) % Difference	Explanation
1	601 Salaries & Wages - Employees	$ 47,286	212,792	$ (127,643)	$ 85,149	$ 37,863	80.07 %	Salaries and wages have increased over the last 8 years.
2	603 Salaries & Wages - Officers, Etc.		-	$ -	$ -			
3	604 Employee Pensions & Benefits	8,235	43,447	$ (25,363)	$ 18,084	9,849	119.59 %	Pensions and benefits have increased over th last 8 years.
4	610 Purchased Water		-	$ -	$ -		%	
5	615 Purchased Power	35,163	28,952	$ 11,228	$ 40,180	5,017	14.27 %	Purchase Power have increased over the last 8 years.
6	616 Fuel for Power Purchased		-	$ -	$ -		%	
7	618 Chemicals	26,272	97,716	$ (24,180)	$ 73,536	47,264	179.91 %	Chemicals increased at a greater rate than the CPI.
8	620 Materials & Supplies	6,962	15,045	$ (6,455)	$ 8,590	1,628	23.38 %	See Note 2.
9	631 Contractual Services - Engr.		-	$ -	$ -		%	
10	632 Contractual Services - Acct.	593	18,656	$ (8,824)	$ 9,832	9,239	1,558.48 %	Accounting services have increased over the last 8 years.
11	633 Contractual Services - Legal	192	407	$ (192)	$ 215	23	11.69 %	Legtal services have increased over the last 8 years.
12	634 Contractual Services - Mgmt. Fees		-	$ -	$ -		%	
13	635 Contractual Services - Testing	3,829	6,241	$ (1,714)	$ 4,527	698	18.23 %	Testing fees have increased at a greater rate than the CPI.
14	636 Contractual Services - Other	2,058	13,334	$ (5,613)	$ 7,721	5,663	275.20 %	Other contractual services have increased at a greater rate than the CPI.
15	641 Rental of Building/Real Prop.		-	$ -	$ -		%	
16	642 Rental of Equipment		-	$ -	$ -		%	
17	650 Transportation Expenses	2,200	9,727	$ (5,927)	$ 3,800	1,600	72.75 %	Transportation expenses have increased substantially over the last 8 years.
18	656 Insurance - Vehicle		-	$ -	$ -		%	
19	657 Insurance - General Liability		-	$ -	$ -		%	
20	658 Insurance - Workman's Comp.		-	$ -	$ -		%	
21	659 Insurance - Other	2,922	13,298	$ (1,970)	$ 11,328	8,406	287.71 %	Insurance has increased substantially over the last 8 years.
22	660 Advertising Expense		-	$ -	$ -		%	
23	666 Reg. Comm. Exp. - Rate Case Amort.		-	$ (0)	$ (0)		%	
24	667 Reg. Comm. Exp. - Other		-	$ -	$ -		%	
25	670 Bad Debt Expense	1,330	13,334	$ (6,614)	$ 6,720	5,390	405.25 %	Bad debt expense has increased as a result of an increase in uncollectible accounts due to customers defaulting on payments.
26	675 Miscellaneous Expenses	1,255	70,858	$ (25,517)	$ 45,341	44,085	3,511.65 %	See Note 2.
27								
28	TOTAL	$ 138,296	$ 543,807	$ (228,784)	$ 315,023	$ 176,726	127.79 %	
29								
30	Total Customers (ERC's)	840.0			1,556.2	716	85.26 %	
31								
32	Consumer Price Index - U	164.55			204.155	39.60	24.07 %	
33								
34		Benchmark Index: Increase in Customer ERC's				1.8526		
35		Increase in CPI				1.2407		
36								
37						2.2985		
38								

Note 1 - For Test Year CPI used average of 2nd half of 2005 & 1st Half 2006, for Prior TY CPI used average of 2nd half of 1998 and 1st half of 1999.

Note 2 - In order to compare accounts 620 and 675, they should be combined because for the 06/30/07 Test Year several of the sub-accounts were grouped differently from the previous Test Year to better conform to the classification of accounts according the NARUC Chart of Accounts.

	Prior TY	Current TY	TY Adj.'s	Adjusted TY	$ Difference	% Difference	Explanation
620 Materials & Supplies	6,962	15,045	(6,455)	8,590	1,628	23.38 %	See Total if applicable
675 Miscellaneous Expenses	1,255	70,858	(25,517)	45,341	44,085	3,511.65 %	See Total if applicable
TOTAL	8,218	85,903	(31,972)	53,931	45,713	556.26 %	Office Supplies, office utilities, office maintenance and miscellaneous expense have increased substantially over the last eight years.

Operation & Maintenance Expense Comparison - Wastewater

Company: Wedgefield Utilities, Inc.
Docket No.: 070694-WS
Test Year Ended: June 30, 2007

Florida Public Service Commission

Schedule: B-8
Page 1 of 1
Preparer: Michelle Rochow

Explanation: Complete the following comparison of the applicant's current and prior test year O&M expenses before this Commission. Provide an explanation of all differences which are not attributable to the change in customer growth and the CPI-U. If the applicant has not had a previous rate case, use the year 5 years prior to the test year for comparison. Provide an additional schedule, if necessary, to explain differences.

Line No.	(1) Account No. and Name	(2) Prior TY 12/31/95	(3) Current TY 6/30/07	(4) TY Adj.'s per B-3	(5) Adjusted TY	(6) $ Difference	(7) % Difference	Explanation
1	701 Salaries & Wages - Employees	$ 51,236	$ -	$ 83,892	$ 83,892	$ 32,656	63.74 %	Salaries and wages have increased over the last 12 years.
2	703 Salaries & Wages - Officers, Etc.		-	-	-		%	
3	704 Employee Pensions & Benefits	9,978	-	17,817	17,817	7,839	78.56 %	Pensions and benefits have increased over the last 12 years.
4	710 Purchased Sewage Treatment		-	-	-		%	
5	711 Sludge Removal Expense	27,374	108,703	-	108,703	81,329	297.11 %	Sludge removal expense has increased over the last 12 years.
6	715 Purchased Power	15,699	96,643	1,099	97,742	82,043	522.58 %	Purchase power has increased over the last 12 years.
7	716 Fuel for Power Purchased		-	-	-		%	
8	718 Chemicals		-	24,180	24,180	24,180	100.00 %	Chemicals have increased over the last 12 years.
9	720 Materials & Supplies	5,690	2,601	6,688	9,289	3,599	63.25 %	See Note 2.
10	731 Contractual Services - Engr.		-	-	-		%	
11	732 Contractual Services - Acct.	780	-	9,688	9,688	8,908	1,141.29 %	Accounting Services have increased a higher rate than the CPI.
12	733 Contractual Services - Legal	121	-	212	212	91	74.66 %	Legal fees have increased at a higher rate than the CPI.
13	734 Contractual Services - Mgmt. Fees		-	-	-		%	
14	735 Contractual Services - Testing	12,410	15,497	1,714	17,211	4,801	38.69 %	Testing fees have increased over the last 12 years.
15	736 Contractual Services - Other	1,916	-	7,606	7,606	5,690	297.04 %	See Note 2.
16	741 Rental of Building/Real Prop.		-	-	-		%	
17	742 Rental of Equipment		-	-	-		%	
18	750 Transportation Expenses	1,425	-	3,744	3,744	2,319	162.77 %	Transportation expenses have increased substantially over the last 12 years.
19	756 Insurance - Vehicle		-	-	-		%	
20	757 Insurance - General Liability		-	-	-		%	
21	758 Insurance - Workman's Comp.		-	-	-		%	
22	759 Insurance - Other	4,216	-	11,162	11,162	6,946	164.73 %	Other insurance has increased substantially over the last 12 years.
23	760 Advertising Expense		-	-	-		%	
24	766 Reg. Comm. Exp. - Rate Case Amort.		2,211	(2,211)	-		%	
25	767 Reg. Comm. Exp. - Other		-	-	-		%	
26	770 Bad Debt Expense	624	-	6,622	6,622	5,998	960.77 %	Bad debt expense has increased as a result of an increase in uncollectible accounts due to customers defaulting on payments.
27	775 Miscellaneous Expenses	1,030	16,624	23,725	40,349	39,319	3,817 %	Miscellaneous expenses have increased substantially over the last 12 years.
28								
29	TOTAL	$ 132,501	$ 242,279	$ 195,938	$ 438,217	$ 305,716	230.73 %	
30								
31	Total Customers (ERC's)	746.0			1,533.2	787	105.52 %	
32								
33	Consumer Price Index - U	152.40			204.150	51.75	33.96 %	
34								
35				Benchmark Index: Increase in Customer ERC's		2.0552		
36				Increase in CPI		1.3396		
37								
38						2.7531		

Note 1 - For Test Year CPI used 12.31.96 figures.

RESPONSE TO ITEM #5

Customer Monthly Billing Schedule

Florida Public Service Commission

Company: Wedgefield Utilities, Inc.
Docket No.: 070694-WS
Test Year Ended: June 30, 2007
Water [x] or Sewer [ ]

Schedule E-3 REVISED
Page 1 of 1
Preparer: Erin Povich

Explanation: Provide a schedule of monthly customers billed or served by class.

WATER

Line No.	(1) Month/ Year	(2) Residential	(3) General Service	(4) General Service (No Tax)	(5) Gen. Service Irrigation	(6) Residential Irrigation	(7) Private Fire Protection	(8) Other	(9) Total
1	July	1,564	10	1	13	6			1,594
2	August	1,557	11	1	13	6			1,588
3	September	1,561	10	1	13	6			1,591
4	October	1,555	10	1	13	7			1,586
5	November	1,563	10	1	13	7			1,594
6	December	1,550	10	1	13	7			1,581
7	January	1,553	10	1	13	6			1,583
8	February	1,553	10	1	13	6			1,583
9	March	1,563	12	1	13	6			1,595
10	April	1,556	10	1	14	7			1,588
11	May	1,559	11	1	12	7			1,590
12	June	1,566	11	1	12	7			1,597
13									
14	Total	18,700	125	12	155	78	-	-	19,070

RESPONSE TO ITEM #6

Accumulated Deferred Income Taxes - Summary
Company: Wedgefield Utilities, Inc.
Docket No.: 070694-WS
Schedule Year Ended: June 30, 2007
Historic [X] Projected [ ]

Florida Public Service Commission

Schedule: C-6 (REVISED)
Page 1 of 5
Preparer:

Explanation: For each of the accumulated deferred tax accounts provide a summary of the ending balances as reported on pages 2 - 5 of this schedule. The same annual balances should be shown.

Line No.	Year	Account No. 190.1011 / 2011			Account No. 190.1012 / 2012			Net Deferred Income Taxes			
		State	Federal	Total	State	Federal	Total	State	Federal	Total	
1	1996	990	5,783	6,773	-	-	-	958	(15,829)	(14,871)	
2	1997	882	5,149	6,031	-	-	-	(2,725)	(76,492)	(79,217)	
3	1998	816	4,763	5,579	-	-	-	(10,111)	(159,183)	(169,294)	
4	1999	755	4,406	5,161	-	-	-	(11,201)	(204,482)	(215,683)	
5	2000	698	4,076	4,774	-	-	-	(15,573)	(266,459)	(282,032)	
6	2001	646	3,770	4,416	18,026	105,306	123,332	(789)	(228,133)	(228,922)	
7	2002	598	3,487	4,085	35,196	205,614	240,810	20,321	(116,686)	(96,365)	
8	2003	553	3,225	3,778	58,996	344,649	403,645	49,502	3,994	53,496	
9	2004	509	2,967	3,476	94,645	552,902	647,547	89,864	161,647	251,511	
10	2005	465	2,709	3,174	103,897	606,947	710,844	102,546	235,735	338,281	
11	2006	465	2,709	3,174	107,733	629,358	737,091	99,494	218,806	318,300	(1)
12	6/30/2007	465	2,709	3,174	107,733	629,358	737,091	99,494	214,501	313,995	(1)
13											
14		Account No. 190.1020 / 2020			Account No. 190.1021 / 2021			Account No. 190.1000 / 2000			
15	Year	State	Federal	Total	State	Federal	Total	State	Federal	Total	
16	1996	-	-	-	(32)	(187)	(219)		-	-	
17	1997	(3,575)	(20,886)	(24,461)	(32)	(187)	(219)		-	-	
18	1998	(8,761)	(51,179)	(59,940)	(2,166)	(12,656)	(14,822)		-	-	
19	1999	(10,008)	(58,462)	(68,470)	(1,948)	(11,382)	(13,330)		-	-	
20	2000	(14,807)	(86,500)	(101,307)	(1,464)	(8,556)	(10,020)		-	-	
21	2001	(18,481)	(107,960)	(126,441)	(980)	(5,730)	(6,710)		-	-	
22	2002	(14,828)	(86,622)	(101,450)	(645)	(3,774)	(4,419)		-	-	
23	2003	(9,930)	(58,011)	(67,941)	(117)	(688)	(805)		-	-	
24	2004	(5,026)	(29,359)	(34,385)	(264)	(1,551)	(1,815)		-	-	
25	2005	-	(1)	(1)	(2,223)	(12,991)	(15,214)		-	-	
26	2006	(9)	(49)	(58)	(1,692)	(9,887)	(11,579)		-	-	
27	6/30/2007	(9)	(49)	(58)	(1,692)	(9,887)	(11,579)		(4,305)	(4,305)	
28											
29		Account No. 190.1024 /2024			Account No. 190.1031 / 2031						
30	Year	State	Federal	Total	State	Federal	Total				
31	1996		(1,588)	(1,588)	-	(19,837)	(19,837)				
32	1997		(3,793)	(3,793)	-	(56,775)	(56,775)				
33	1998		(5,998)	(5,998)	-	(94,113)	(94,113)				
34	1999		(8,203)	(8,203)	-	(130,841)	(130,841)				
35	2000		(7,959)	(7,959)	-	(167,520)	(167,520)				
36	2001		(8,575)	(8,575)	-	(214,944)	(214,944)				
37	2002		(7,061)	(7,061)	-	(228,330)	(228,330)				
38	2003		(7,061)	(7,061)	-	(278,120)	(278,120)				
39	2004		(7,061)	(7,061)	-	(356,251)	(356,251)				
40	2005		(7,061)	(7,061)	407	(353,868)	(353,461)				
41	2006		(7,061)	(7,061)	(7,003)	(396,264)	(403,267)				
42	6/30/2007		(7,061)	(7,061)	(7,003)	(396,264)	(403,267)				

(1) Balance per books. Schedules A-18 and D-2 differ from this amount to include an adjustment of ($ 4,426) to the books. This is Wedgefield's proportionate share of a PSC total adjustment to the parent's accumulated deferred taxes of ($ 417,573) resulting from the last affiliate audit performed.

Accumulated Deferred Income Taxes - State
Company: Wedgefield Utilities, Inc.
Docket No.: 070694-WS
Schedule Year Ended: June 30, 2007
Historic [X] Projected [ ]

Florida Public Service Commission

Schedule: C-6
Page 2 of 5
Preparer:

Explanation: For each of the accumulated deferred tax accounts provide a summary of the ending balances as reported on pages 2 - 5 of this schedule. The same annual balances should be shown.

Line No.	Year	Account No. 190.2011 Deferred Tax Debits- CIAC Pre 1987 Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance	Account No. 190.2012 Deferred Tax Debits- Tap Fees Post 2000 Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance
1	1996	-	990			990					
2	1997	990	(108)	-	-	882	-				-
3	1998	882	(66)			816	-				-
4	1999	816	(61)			755	-				-
5	2000	755	(57)			698	-				-
6	2001	698	(52)			646	-	18,026			18,026
7	2002	646	(48)			598	18,026	17,170			35,196
8	2003	598	(45)			553	35,196	23,800			58,996
9	2004	553	(44)			509	58,996	35,649			94,645
10	2005	509	(44)			465	94,645	9,252			103,897
11	2006	465	-			465	103,897	3,836			107,733
12	6/30/2007	465	-			465	107,733	-			107,733
13											
14		Account No. 190.2020 Deferred Tax Credits- Rate Case					Account No. 190.2021 Deferred Tax Credits- Maint Fee				
15											
16		Beginning	Current Year	Flowback To Curr.	Adjust. Debit	Ending	Beginning	Current Year	Flowback To Curr.	Adjust. Debit	Ending
17	Year	Balance	Deferral	Year	(Credit)	Balance	Balance	Deferral	Year	(Credit)	Balance
18	1996	-		-	-	-	-	(32)			(32)
19	1997	-	(3,575)			(3,575)	(32)	0			(32)
20	1998	(3,575)	(5,186)			(8,761)	(32)	(2,134)			(2,166)
21	1999	(8,761)	(1,247)			(10,008)	(2,166)	218			(1,948)
22	2000	(10,008)	(4,799)			(14,807)	(1,948)	484			(1,464)
23	2001	(14,807)	(3,674)			(18,481)	(1,464)	484			(980)
24	2002	(18,481)	3,653			(14,828)	(980)	335			(645)
25	2003	(14,828)	4,898			(9,930)	(645)	528			(117)
26	2004	(9,930)	4,904			(5,026)	(117)	(147)			(264)
27	2005	(5,026)	5,026			-	(264)	(1,959)			(2,223)
28	2006	-	(9)			(9)	(2,223)	531			(1,692)
29	6/30/2007	(9)	-			(9)	(1,692)	-			(1,692)

Accumulated Deferred Income Taxes - State
Company: Wedgefield Utilities, Inc.
Docket No.: 070694-WS
Schedule Year Ended: June 30, 2007
Historic [X] Projected [ ]

Florida Public Service Commission

Schedule: C-6
Page 3 of 5
Preparer:

Explanation: For each of the accumulated deferred tax accounts provide a summary of the ending balances as reported on pages 2 - 5 of this schedule. The same annual balances should be shown.

		Account No. 190.2031 Deferred Tax Credits- Depreciation				
	Year	Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance
1996						-
1997		-				-
1998		-				-
1999		-				-
2000		-				-
2001		-				-
2002		-				-
2003		-				-
2004		-				-
2005		-	407			407
2006		407	(7,410)			(7,003)
6/30/2007		(7,003)	-			(7,003)

Accumulated Deferred Income Taxes - Federal
Company: Wedgefield Utilities, Inc.
Docket No.: 070694-WS
Schedule Year Ended: June 30, 2007
Historic [X] Projected [ ]

Florida Public Service Commission

Schedule: C-6
Page 4 of 5
Preparer:

Explanation: For each of the accumulated deferred tax accounts provide a summary of the ending balances as reported on pages 2 - 5 of this schedule. The same annual balances should be shown.

		Account No. 190.1012 Deferred Tax Debits- Tap Fees Post 2000					Account No. 190.1011 Deferred Tax Debits- CIAC Pre 1987				
Line No.		Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance
1	1996					-	-	5,783			5,783
2	1997	-				-	5,783	(634)	-	-	5,149
3	1998	-				-	5,149	(386)			4,763
4	1999	-				-	4,763	(357)			4,406
5	2000	-				-	4,406	(330)			4,076
6	2001	-	105,306			105,306	4,076	(306)			3,770
7	2002	105,306	100,308			205,614	3,770	(283)			3,487
8	2003	205,614	139,035			344,649	3,487	(262)			3,225
9	2004	344,649	208,253			552,902	3,225	(258)			2,967
10	2005	552,902	54,045			606,947	2,967	(258)			2,709
11	2006	606,947	22,411			629,358	2,709	-			2,709
12	6/30/2007	629,358	-			629,358	2,709	-			2,709
13											
14											
15		Account No. 190.1020 Deferred Tax Credits- Rate Case					Account No. 190.1021 Deferred Tax Credits- Maint Fee				
16											
17		Beginning	Current Year	Flowback To Curr.	Adjust. Debit	Ending	Beginning	Current Year	Flowback To Curr.	Adjust. Debit	Ending
18	Year	Balance	Deferral	Year	(Credit)	Balance	Balance	Deferral	Year	(Credit)	Balance
19	1996	-			-	-	-	(187)			(187)
20	1997	-	(20,886)			(20,886)	(187)				(187)
21	1998	(20,886)	(30,293)			(51,179)	(187)	(12,469)			(12,656)
22	1999	(51,179)	(7,283)			(58,462)	(12,656)	1,274			(11,382)
23	2000	(58,462)	(28,038)			(86,500)	(11,382)	2,826			(8,556)
24	2001	(86,500)	(21,460)			(107,960)	(8,556)	2,826			(5,730)
25	2002	(107,960)	21,338			(86,622)	(5,730)	1,956			(3,774)
26	2003	(86,622)	28,611			(58,011)	(3,774)	3,086			(688)
27	2004	(58,011)	28,652			(29,359)	(688)	(863)			(1,551)
28	2005	(29,359)	29,358			(1)	(1,551)	(11,440)			(12,991)
29	2006	(1)	(48)			(49)	(12,991)	3,104			(9,887)
30	6/30/2007	(49)	-			(49)	(9,887)	-			(9,887)
31											

Accumulated Deferred Income Taxes - Federal
Company: Wedgefield Utilities, Inc.
Docket No.: 070694-WS
Schedule Year Ended: June 30, 2007
Historic [X] Projected [ ]

Florida Public Service Commission

Schedule: C-6 (REVISED)

Preparer:

Explanation: For each of the accumulated deferred tax accounts provide a summary of the ending balances as reported on pages 2 - 5 of this schedule. The same annual balances should be shown.

		Account No. 190.1024 Deferred Tax Credits- Org. Exp.					Account No. 190.1031 Deferred Tax Credits- Depr				
Line No.	Year	Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance
1	1996	-	(1,588)			(1,588)	-	(19,837)			(19,837)
2	1997	(1,588)	(2,205)	-	-	(3,793)	(19,837)	(36,938)			(56,775)
3	1998	(3,793)	(2,205)			(5,998)	(56,775)	(37,338)			(94,113)
4	1999	(5,998)	(2,205)			(8,203)	(94,113)	(36,728)			(130,841)
5	2000	(8,203)	244			(7,959)	(130,841)	(36,679)			(167,520)
6	2001	(7,959)	(616)			(8,575)	(167,520)	(47,424)			(214,944)
7	2002	(8,575)	1,514			(7,061)	(214,944)	(13,386)			(228,330)
8	2003	(7,061)	-			(7,061)	(228,330)	(49,790)			(278,120)
9	2004	(7,061)	-			(7,061)	(278,120)	(78,131)			(356,251)
10	2005	(7,061)	-			(7,061)	(356,251)	2,383			(353,868)
11	2006	(7,061)	-			(7,061)	(353,868)	(42,396)			(396,264)
12	6/30/2007	(7,061)	-			(7,061)	(396,264)	-			(396,264)
13											
14											
15		Account No. 190.1000 Deferred Income Tax - Fed									
16											
17											
18	Year	Beginning Balance	Current Year Deferral	Flowback To Curr. Year	Adjust. Debit (Credit)	Ending Balance					
19	1996					-					
20	1997	-				-					
21	1998	-		-	-	-					
22	1999	-				-					
23	2000	-				-					
24	2001	-				-					
25	2002	-				-					
26	2003	-				-					
27	2004	-				-					
28	2005	-				-					
29	2006	-				-					
30	6/30/2007	-	(4,305)			(4,305)					

Reconciliation of Capital Structure to Requested Rate Base
13 Month Average

Florida Public Service Commission

Company - Wedgefield Utilities, Inc.
Docket No.: 070694-WS
Schedule Year Ended: 6/30/07
Interim [ ] Final [x]
Historical [x] Projected [ ]

Schedule D-2 - REVISED
Page 1 of 1

Preparer: Michelle Rochow

Explanation: Provide a reconciliation of 13 month average structure to requested rate base. Explain all adjustments. Submit an additional schedule if a year-end basis is used.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
					Reconciliation Adjustments		
Line No.	Class of Capital	Balance 6/30/07	Balance 6/30/06	13 Month Average	Pro Rata	Pro Rata Percentage	Reconciled to Requested Rate Base AYE 6/30/07
1	Long Term Debt	180,000,000	97,275,520	173,636,578	(170,870,643)	56.98%	2,765,935
2	Short Term Debt	-	66,317,000	5,439,769	(5,352,879)	1.79%	86,891
3	Preferred Stock	-	-	-	-	0.00%	-
4	Common Equity	158,486,069	93,830,258	125,643,139	(123,641,744)	41.23%	2,001,395
5	Customer Deposits	21,880	29,040	24,954	-	n/a	24,954
6	Tax Credits - Zero Cost	-	-	-	-	n/a	-
7	Tax Credits - Weighted Cost	-	-	-	-	0.00%	-
8	Accumulated Deferred Income Taxes	(309,569)	(329,898)	(321,823)	-	n/a	(321,823)
9	Other (Explain)	-	-	-	-	0.00%	-
10	Total	338,198,380	257,121,920	304,422,618	(299,865,266)	100.00%	4,557,352

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

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

RESPONSE TO ITEM #7

Florida Department of
Environmental Protection
Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

NOTICE OF PERMIT ISSUANCE

SENT BY E-MAIL
Patrick Flynn, Regional Director
Wedgefield Utilities/Utilities Inc. of Florida
200 Weathersfield Avenue
Altamonte Springs, FL 32714

Orange County – PW
Wedgefield Water Treatment Plant Expansion
PWS ID No. 3480149

Dear Mr. Flynn:

Enclosed is Permit Number WC48-0080718-009 to modify the Wedgefield Water Treatment System, issued pursuant to Section 403.861(9), *Florida Statutes*.

The Department's proposed agency action shall become final unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57 of the *Florida Statutes* before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative proceeding (hearing) under Sections 120.569 and 120.57 of the *Florida Statutes*. The petition must contain the information set forth below and must be filed (received by the clerk) with:

Clerk of the Department of Environmental Protection
Office of General Counsel
3900 Commonwealth Boulevard, Mail Station 35
Tallahassee, Florida 32399-3000.

Petitions by the applicant or any of the parties listed below must be filed within fourteen days of receipt of this written notice. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3) of the *Florida Statutes* must be filed within fourteen days of publication of the notice or within fourteen days of receipt of the written notice, whichever occurs first.

Under Section 120.60(3) of the *Florida Statutes*, however, any person who has asked the Department for notice of agency action may file a petition within fourteen days of receipt of such notice, regardless of the date of publication.

The petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57 of the *Florida Statutes*. Any subsequent

intervention (in a proceeding initiated by another party) will be only at the discretion of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the *Florida Administrative Code*.

A petition that disputes the material facts on which the Department's action is based must contain the following information:

(a) The name, address, and telephone number of each petitioner; the name, address, and telephone number of the petitioner's representative, if any; the Department permit identification number and the county in which the subject matter or activity is located;
(b) A statement of how and when each petitioner received notice of the Department action;
(c) A statement of how each petitioner's substantial interests are affected by the Department action;
(d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;
(e) A statement of facts that the petitioner contends warrant reversal or modification of the Department action;
(f) A concise statement of the ultimate facts alleged, as well as the rules and statutes which entitle the petitioner to relief; and
(g) A statement of the relief sought by the petitioner, stating precisely the action that the petitioner wants the Department to take.

A petition that does not dispute the material facts on which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, *Florida Statutes*.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation under Section 120.573 of the *Florida Statutes* is not available for this proceeding. This action is final and effective on the date filed with the Clerk of the Department unless a petition is filed in accordance with the above. Upon the timely filing of a petition this order will not be effective until further order of the Department.

Any party to the order has the right to seek judicial review of the order under Section 120.68 of the *Florida Statutes*, by the filing of a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with:

Clerk of the Department of Environmental Protection
Office of General Counsel
Mail Station 35,
3900 Commonwealth Boulevard
Tallahassee, Florida, 32399-3000

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 when the final order is filed with the Clerk of the Department.

Florida Department of
Environmental Protection
Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

This permit is issued under the provisions of Chapter 403, *Florida Statutes*, and Rule 62-555, *Florida Administrative Code*, (F.A.C.). The above named permittee is hereby authorized to perform the work shown on the application and approved drawing, plans, and other documents attached hereto or on file with the Department and made a part hereof and specifically described as follows:

The project is located on Mansfield Street in the Wedgefield subdivision in Orange County, Florida. The permitted capacity of this plant will remain the same. The project consists of adding two Magnetic Ion Exchange (MIEX) units, a transfer pump station, a high service pump, and a new electrical building. The Miex units will treat the D.O.C. and hydrogen sulfide in the raw water. The brine will be sent to the wastewater treatment plant.

The components of the project for this permit include the following:

- two 500 gpm Magnetic Ion Exchange (MIEX) units totaling 1.44 mgd in capacity
- a 15'x15'x7' transfer pump station, including three vertical turbine pumps , each with a rated capacity of 600gpm at 51 ft. TDH.

A pilot trial of the MIEX Process including jar tests was conducted from November 28, 2005 to December 8, 2005. The conclusions were that MIEX treatment reduced sulfide levels by an average of 97.7%; that MIEX treatment reduced TTHM & HAA5 levels below EPA Stage 1 & 2 MCL's; and that MIEX treatment reduced DOC levels by nearly 60%. Laboratory batch tests (jar tests) were also conducted in July of 2006 to determine the ability of MIEX WA172 Resin to reduce total hardness in the raw water. The results showed the capability to lower total hardness from 220 mg/l to 120 mg/l; however, using MIEX for hardness removal was shown not to be cost-effective. Therefore, upon completion of the modifications, the existing aerator and chloramine system will be removed from service but the ion-exchange units will still be used to remove hardness.

The certified operator requirements for this plant remain the same with staffing by Class C or higher operator with visits of 3 hours per day for 5 days per week and one visit on each weekend day.

This permit expires five years after the date of issuance. It does not pertain to any wastewater, stormwater or dredge and fill aspects of the project.

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, 403.727, or 403.859 through 403.861, F.S. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violations 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 revocation 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 therefore; 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, as required by 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
   (c) Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

   Reasonable time may depend on the nature of the concern being investigated.

8. If, for any reason, the permittee does not comply with or will be unable to comply with any conditions or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:

   (a) A description of and cause of noncompliance; and
   (b) The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the noncompliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the noncompliance.

   The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Section 403.111 and 403.73, F.S. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.

10. The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance; provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.

11. This permit is transferable only upon Department approval in accordance with Rule 62-4.120 and 62-30.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.

12. This permit or a copy thereof shall be kept at the work site of the permitted activity.

~~13. This permit also constitutes:~~

~~( ) Determination of Best Available Control Technology (BACT)~~
~~( ) Determination of Prevention of Significant Deterioration (PSD)~~
~~( ) Certification of compliance with state Water Quality Standards (Section 401, PL 92-500)~~
~~( ) Compliance with New Source Performance Standards~~

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 years from the date the sample, measurement, report, or application unless otherwise specified by Department rule.

(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.

SPECIFIC CONDITIONS:

Clearance of the Project

1. ***A Clearance Letter must be issued by the DEP Central District Potable Water program before placement of this project into service. Failure to do so will result in enforcement action against the permittee.***

To obtain clearance letter, the engineer of record must submit the following:

(1) completion of the enclosed "Request for Letter of Release to Place Water Supply System into Service" [DEP Form 62-555.900(9), F.A.C.];
(2) a copy of this permit; and
(3) a copy of satisfactory bacteriological sample results taken on two consecutive days from the following locations:

- the discharge of the MIEX system;
- the discharge side of each of the three transfer pumps; and
- the discharge side of the high service pump system.

(4) The permittee shall contact Ms. Echo Goodner or Mr. Paul Morrison at 407.894.7555 regarding changes to monitoring in the Lead/Copper plans and other required monitoring programs.
(5) If the permittee wishes to request a reduction in the operator coverage time, it may do so after the system has come on-line and been running for a period of time.

Clearance Required before Service

2. ***NOTE TO THE UTILITY: Pursuant to Rule 403.859(6), Florida Statutes, do not provide water service to this project (other than flushing/testing) until the Department of Environmental Protection has issued a letter of clearance or the utility, shall be subject to enforcement action.***

Sale or Transfer of Facility

3. The permittee will promptly notify the Department upon sale or legal transfer of the permitted facility. In accordance with General Condition #11 of this permit, this permit is transferable only upon Department approval. ***The new owner must apply, by letter, for a transfer of permit within 30 days following sale or transaction.***

Professional Engineer in Charge of Construction

4. The permittee shall retain a Florida-licensed professional engineer in accordance with subsection 62-555.530(3), F.A.C. to take responsible charge of inspecting construction of the project for the purpose of determining in general if the construction proceeds in compliance with the permit, including the approved preliminary design report or drawings and specifications, for the project.

Record Drawings

5. The permittee shall have complete record drawings produced for the project in accordance with Rule 62-555.530(4), F.A.C.

Permittee to Provide O&M Manual

6. The permittee shall provide an operation & maintenance manual for the new or altered treatment facilities to fulfill the requirements under Rule 62-555.350(13), F.A.C.

Rerating of the Water Treatment System

7. The permittee shall apply separately for rerating the treatment system in accordance with Rule 62-555. 528, F.A.C.

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Christianne C. Ferraro

Christianne C. Ferraro, P.E.
Administrator, Water Resource Management
ISSUED:
Permit Expiration: April 23, 2007
Copies furnished to: Kim Dodson; Kyle Kubanek; Echo Goodner; Paul Morrison; sromano@cphengineers.com; p.c.flynn@utilities-usa.com;

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certified that this NOTICE OF PERMIT ISSUANCE and all copies were sent by E-Mail before the close of business on April 24, 2007 to the listed persons.

FILING AND ACKNOWLEDGMENT

FILED, on this date, under Section 120.52(7), *Florida Statutes*, with the designated Department Clerk, receipt of which is hereby acknowledged.

Johanna Lindsey

April 24, 2007

Clerk Date

Florida Department of
Environmental Protection
Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

DRAFT NOTICE OF PERMIT ISSUANCE

SENT BY E-MAIL
Mr. Patrick Flynn, Regional Director
Wedgefield Utilities, Inc.
200 Weathersfield Avenue
Altamonte Springs, FL 32714

Orange County – PW
Wedgefield Water Treatment Plant Rerating
PWS ID. No. 3480149

Dear Mr. Flynn:

Enclosed is Permit Number WC48-0080718-010 to rerate the Wedgefield Water Treatment Plant, issued pursuant to Section 403.861(9), *Florida Statutes*.

The Department's proposed agency action shall become final unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57 of the *Florida Statutes* before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative proceeding (hearing) under Sections 120.569 and 120.57 of the *Florida Statutes*. The petition must contain the information set forth below and must be filed (received by the clerk) with:

Clerk of the Department of Environmental Protection
Office of General Counsel
3900 Commonwealth Boulevard, Mail Station 35
Tallahassee, Florida 32399-3000.

Petitions by the applicant or any of the parties listed below must be filed within fourteen days of receipt of this written notice. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3) of the *Florida Statutes* must be filed within fourteen days of publication of the notice or within fourteen days of receipt of the written notice, whichever occurs first.

Under Section 120.60(3) of the *Florida Statutes*, however, any person who has asked the Department for notice of agency action may file a petition within fourteen days of receipt of such notice, regardless of the date of publication.

The petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57 of the *Florida Statutes*. Any subsequent

intervention (in a proceeding initiated by another party) will be only at the discretion of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the *Florida Administrative Code*.

A petition that disputes the material facts on which the Department's action is based must contain the following information:

(a) The name, address, and telephone number of each petitioner; the name, address, and telephone number of the petitioner's representative, if any; the Department permit identification number and the county in which the subject matter or activity is located;

(b) A statement of how and when each petitioner received notice of the Department action;

(c) A statement of how each petitioner's substantial interests are affected by the Department action;

(d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;

(e) A statement of facts that the petitioner contends warrant reversal or modification of the Department action;

(f) A concise statement of the ultimate facts alleged, as well as the rules and statutes which entitle the petitioner to relief; and

(g) A statement of the relief sought by the petitioner, stating precisely the action that the petitioner wants the Department to take.

A petition that does not dispute the material facts on which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, *Florida Statutes*.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation under Section 120.573 of the *Florida Statutes* is not available for this proceeding. This action is final and effective on the date filed with the Clerk of the Department unless a petition is filed in accordance with the above. Upon the timely filing of a petition this order will not be effective until further order of the Department.

Any party to the order has the right to seek judicial review of the order under Section 120.68 of the *Florida Statutes*, by the filing of a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with:

Clerk of the Department of Environmental Protection
Office of General Counsel
Mail Station 35,
3900 Commonwealth Boulevard
Tallahassee, Florida, 32399-3000

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 when the final order is filed with the Clerk of the Department.

Florida Department of Environmental Protection
Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

This permit is issued under the provisions of Chapter 403, *Florida Statutes*, and Rule 62-555, *Florida Administrative Code*, (F.A.C.). The above named permittee is hereby authorized to perform the work shown on the application and approved drawing, plans, and other documents attached hereto or on file with the Department and made a part hereof and specifically described as follows:

The project is located in the Wedgefield Development in eastern Orange County, Florida. There are approximately 1,586 service connections and an estimated population of 4,124, based on a person per connection rate of 2.6.

The water treatment system consists of the following components or approved equivalents:

- Wells:
  - Well #2 8-inch rotary constructed 1980 248'/440' 15hp 400gpm;
  - Well #3 10-inch cable tool constructed 1988 320'/430' 25hp 600gpm;
- 2 Magnetic Ion-Exchange Units @ 500 gpm;
- (2)-Culligan Hi-Flo 50, HB-2800 ion exchange softener (salt regenerated) @ 400 gpm each (750 gpm rated total); Note: Not used in capacity determinations;
- 350,000-gallon GST (71,000-g inner tank; 279,000-g outer tank) with 2000 gpm cascade aerator;
- High Service Pumps:
  - HSP #1 30hp 600 gpm;
  - HSP#2 15hp 300 gpm;
  - HSP#3 100hp 2,000 gpm;
- 250kw diesel generator

Based upon a maximum daily flow/average daily flow ratio of 1.8, the permitted capacity is increased to 1.037 million gallons per day (=400 gpm x 1440 min/day x 1.8). The ratio of 1.8 was based upon flows submitted in the Monthly Operating Reports from March 2006 through June 2007.

According to the Capacity Analysis Report dated August 2007, a maximum day treatment capacity will be achieved in 2017.

The certified operator requirements for this plant are increased to Category III Class C or higher operator with visits of 6 hours per day for 5 days per week and one visit on each weekend day.

This permit expires five years after the date of issuance. It does not pertain to any wastewater, stormwater or dredge and fill aspects of the project.

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, 403.727, or 403.859 through 403.861, F.S. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violations 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 revocation 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 therefore; 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, as required by 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
   (c) Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

   Reasonable time may depend on the nature of the concern being investigated.

8. If, for any reason, the permittee does not comply with or will be unable to comply with any conditions or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:

   (a) A description of and cause of noncompliance; and
   (b) The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the noncompliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the noncompliance.

   The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Section 403.111 and 403.73, F.S. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.

10. The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance; provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.

11. This permit is transferable only upon Department approval in accordance with Rule 62-4.120 and 62-30.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.

12. This permit or a copy thereof shall be kept at the work site of the permitted activity.

~~13. This permit also constitutes:~~

~~( ) Determination of Best Available Control Technology (BACT)~~
~~( ) Determination of Prevention of Significant Deterioration (PSD)~~
~~( ) Certification of compliance with state Water Quality Standards (Section 401, PL 92-500)~~
~~( ) Compliance with New Source Performance Standards~~

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 years from the date the sample, measurement, report, or application unless otherwise specified by Department rule.

(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.

SPECIFIC CONDITIONS:

Capacity Analysis Reports

1. The permittee shall submit a capacity analysis report when the monthly operating reports demonstrate that the maximum daily flows are within 75 percent of the newly established permitted capacity, in accordance with Rule 62-555. 348, *Florida Administrative Code.*

Clearance Required before Service

a. ***NOTE TO THE UTILITY: Pursuant to Rule 403.859(6), Florida Statutes, do not provide water service to this project (other than flushing/testing) until the Department of Environmental Protection has issued a letter of clearance or the utility, shall be subject to enforcement action.***

Sale or Transfer of Facility

2. The permittee will promptly notify the Department upon sale or legal transfer of the permitted facility. In accordance with General Condition #11 of this permit, this permit is transferable only upon Department approval. ***The new owner must apply, by letter, for a transfer of permit within 30 days following sale or transaction.***

Professional Engineer in Charge of Construction

3. The permittee shall retain a Florida-licensed professional engineer in accordance with subsection 62-555.530(3), F.A.C. to take responsible charge of inspecting construction of the project for the purpose of determining in general if the construction proceeds in compliance with the permit, including the approved preliminary design report or drawings and specifications, for the project.

Record Drawings

4. The permittee shall have complete record drawings produced for the project in accordance with Rule 62-555.530(4), F.A.C.

Permittee to Provide O&M Manual

5. The permittee shall provide an operation & maintenance manual for the new or altered treatment facilities to fulfill the requirements under Rule 62-555.350(13), F.A.C.

Permittee to Provide Records

The permitte shall keep:

A. Records documenting that their finished-drinking-water storage tanks, including conventional hydro-pneumatic tanks with an access manhole have been cleaned and inspected during the past five years in accordance with subsection 62-555.350(2), F.A.C.

B. Records documenting that their isolation valves are being exercised, and their water mains conveying finished drinking water are being flushed, in accordance with subsection 62-555.350(2), F.A.C.

Permittee to Provide Water Distribution System Map

9. The permittee shall keep an up-to-date map of the drinking water system and where appropriate, water distribution system. Such a map shall show the location and size of water mains if known; the location of valves and fire hydrants; and the location of any pressure zone boundaries, pumping facilities, storage tanks, and interconnections with other public water systems.

Permittee to Provide Emergency Preparedness/Response Plan

10. The permittee shall keep a written emergency preparedness/response plan in accordance with *Emergency Planning for Water Utilities*, AWWA Manual M19, as adopted in Rule 62-555.335, F.A.C., by no later than December 31, 2004, and shall update and implement the plan as necessary thereafter. Said suppliers of water shall coordinate with their Local Emergency Planning Committee and their Florida Department of Law Enforcement Regional Security Task Force when developing their emergency plan.

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Christianne C. Ferraro, P.E.
Administrator, Water Resource Management

Date of Issuance: November 2, 2007 Date of Expiration: November 1, 2012

Copies furnished to:
Kim Dodson; Kyle Kubanek; Echo Goodner; Paul Morrison;
pcflynn@uiwater.com; sromano@cphengineers.com

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certified that this NOTICE OF PERMIT ISSUANCE and all copies were sent by E-Mail before the close of business on November 2, 2007 to the listed persons.

FILING AND ACKNOWLEDGMENT

FILED, on this date, under Section 120.52(7), *Florida Statutes*, with the designated Department Clerk, receipt of which is hereby acknowledged.

Clerk November 2, 2007
Date

RESPONSE TO ITEM #8

WEDGEFIELD UTILITIES, INC.

WATER TREATMENT PLANT MODIFICATIONS

PRELIMINARY DESIGN REPORT

PWS ID No. 3480149
ORANGE COUNTY, FLORIDA

SEPTEMBER 2006

CPH Engineers, Inc.
101 North Woodland Boulevard, Suite 600
DeLand, Florida 32720
Phone: (386) 736-4142 Fax: (386) 736-8412
CPH Job No.: U0716

INTRODUCTION

Wedgefield Utilities, Inc., (Wedgefield) is proposing to increase the permitted maximum day treatment capacity at the water plant from 0.576 MGD to 1.152 MGD. The WTP is located in east Orange County at 0 Mansfield Street, Orlando, FL 32833. This report was prepared in accordance with Florida Department of Environmental Protection (FDEP) Rule 62.555.520(4), F.A.C.

The proposed modifications include the addition of a 1.44 MGD (1,000 gpm) magnetic ion-exchange (MIEX) unit, transfer pump station, a 1,000 gpm high service pump, and a new electrical building. The proposed MIEX unit will have a rated capacity 1.44 MGD. The MIEX pilot study and jar test can effectively remove the dissolved organic carbons (DOC's), total sulfides (hydrogen sulfide), and the total hardness from the raw water. By effectively removing the DOC's from the raw water, the Utility can revert back to sodium hypochlorite solely for disinfection, thus eliminating the need for chloramines. Since the MIEX unit also successfully removes the hydrogen sulfide and hardness from the raw water, the existing cascade aerator and ion exchange units are also no longer necessary.

The proposed 1,000 gpm high service pump will bring the overall pumping capacity to 3,900 gpm. Based on FDEP high service pumping capacity criteria, the utility must take the largest pump out of service. Taking the largest pump out of service, 2,000 gpm, brings the total pumping capacity to 1,900 gpm, 1.368 MGD max day. As part of the modifications, the existing 600 gpm and 2,000 gpm will be converted to variable frequency drives, along with the proposed 1,000 gpm high service pump.

The limiting component of the water treatment plant will be the raw water sources. Wells No. 2 and No. 3 have pumping capacities of 400 gpm and 600 gpm, respectively. Taking the largest well out of service, the plant must be capable of producing at least the systems average day demand. Based on the FDEP capacity criteria for raw water sources makes them the limiting components of the Wedgefield WTP, at 1.152 MGD (400 gpm).

WATER TREATMENT PLANT COMPONENTS

RAW WATER SOURCES

The Wedgefield Water Treatment Plant currently has two (2) raw water sources, Wells No. 2 and No. 3. Well No. 2 has a rated capacity of 400 gpm, while Well No. 3 has a rated capacity of 600 gpm. Combined, they generate a total pumping capacity of 1,000 gpm. However, when generating a raw water capacity for the plant, the Utility must take the largest well out of service and still be capable of producing at least the systems average day demand.

Utilizing the 400 gpm well to meet the systems average day generates an average day demand of 0.576 MGD. Multiplying the average day demand by 2.0 (typical multiplier) generates a max day demand of 1.152 MGD.

Table 1: Raw Water Sources

Well No.	Capacity (gpm)	ADF Capacity (MGD)	MDF Capacity (MGD)
2	400	0.576	*1.152*
3	600	0.864	1.728
Total	**1,000**	**1.44**	**2.880**

The two (2) wells will be redirected to the proposed MIEX unit through a new raw water main. A stub-out will be installed to account for the planned future Well No. 4. Figure 1 is included to illustrate the proposed raw water piping schematic.

MAGNETIC ION EXCHANGE

The proposed magnetic ion exchange (MIEX) units will be rated for 1.44 MGD. Two (2) different types of resin will be utilized to treat the raw water. The existing wells contain high levels of dissolved organic carbons (DOC's), total sulfides (hydrogen sulfide), and total hardness. The presence of DOC's in the raw water are known to cause disinfection byproducts, total trihalomethanes (TTHM's) and haloacetic acids (HAA's), which are currently being handled by the chloramines. The hydrogen sulfide and hardness are currently being treated by the existing cascade aerator and ion exchange units. However, the total sulfide levels in the wells exceed the required level for cascade aeration, to meet FDEP Rules, and currently do not remove enough hydrogen sulfide.

A pilot study and jar test were recently performed to observe the treatment efficiency of the MIEX unit. It was determined form the pilot study that the MIEX DOC resin effectively removes both the DOC's and the total sulfide from the raw water. The pilot study is attached in Appendix A. The DOC's were removed at an average rate of 61%, while the sulfides were removed at 98% on average. These removal efficiencies will allow the Utility to meet both FDEP and

EPA criteria for drinking water standards. As part of the pilot study, MIEX representatives performed a simulated distribution analysis system to observe TTHM and HAA results. The representatives dosed chlorine at 6ppm, based on historic plant usage. The average results for TTHM's and HA's were 57.1 and 11.8 mg/L, respectively, both well below EPA Stage 1 and 2 MCL. The sulfide levels observed in the raw water range from 2.21 to 3.08 mg/L. At an average removal efficiency of 98 %, the sulfide levels will be well below FDEP criteria for cascade aeration, 0.3 mg/L, allowing for direct chlorination.

The jar test was performed to observe the removal efficiency of MIEX WA172 resin for hardness removal. This resin can be added in with the DOC resin with no ill affects. The raw water at the WTP is considered to be 'hard" at a level of 205 mg/L. The test showed that the WA172 resign can remove approximately 42% of the hardness from the raw water. At this removal efficiency, the hardness can be taken from "hard" (150 mg/L to 300 mg/L) to "moderate" (75mg/L to 150 mg/L), at an average hardness of approximately 120 mg/L. The jar test results are attached in Appendix B.

The proposed MIEX unit, along with both the DOC and WA172 resins will allow the Utility to treat the raw water very effectively. The existing aerator, ion exchange units, and chloramine system will no longer be required. A MagnaPak technical bulletin is attached in Appendix C.

TRANSFER PUMP STATION

The treated water from the MIEX unit will gravity flow into the proposed transfer pump station. The pump station will have dimensions of 15'x15'x5', with an operational depth of 2.5-feet. The pump station will utilize two (2) vertical turbine pumps with a rated capacity of 1,000 gpm at 27 TDH, one (1) operational and one (1) as backup. The pump station is design for a future 1,000 gpm pump, which will be installed when the future well is brought online.

The transfer pump station was designed based on a flow of 1,600 gpm, assuming a minimum flow of 600 gpm from the future Well No. 4. At the current flow, 1,000 gpm, the transfer pumps will pace the influent flow. When the future well is added and the third transfer pump is installed, the pump station will cycle approximately 4 times an hour.

The transfer pump station will utilize a level transducer to operate the transfer pumps with floats as backup. Initially one pump will be capable of handling the flow from both wells.

GROUND STORAGE TANK

The existing ground storage tank has two compartments, an inner and an outer tank. In the current configuration, only the outer tank can be used as finished

water storage, 279,000 gallons. However, once the MIEX is brought online the utility can open the existing valve between the tanks and utilize the full volume of 350,000 gallons. FDEP Rule 62-555.320(19)(a) states that the total useful finished drinking water storage capacity connected to a water system shall at least equal 25 percent of the system's max day water demand. Utilizing the entire volume, 350,000 gallons, the storage capacity for Wedgefield can be rated for 1.4 MGD.

HIGH SERVICE PUMPING STATION

Currently the Utility utilizes three (3) high service pumps to maintain an adequate distribution system pressure. However, once modifications are made to the Facility the Utility will have to conform to the new FDEP Rules for high service pumping capacities taking the largest pump out of service.

Table 2: High Service Pumps

Pump No.	Capacity (gpm)	Peak Hour Capacity (MGD)	Max Day Capacity (MGD)
1	300	0.432	0.216
2	600	0.864	0.432
3	2,000	2.880	1.440
4	1,000	1.44	0.720
Total	3,900	5.416	2.708
Total w/ Largest Out of Service	1,900	2.736	**1.368**

The Utility is proposing to install a 1,000 gpm @ 140 TDH split case centrifugal high service pump. The pump will be connected to existing stub-outs on the suction and distribution sides of the high service pumping station, thus not requiring any new connections. There is an existing 10-inch stub-out on the suction line from the ground storage tank and a 6-inch stub-out on the distribution side. Based on FDEP Rule 62-555.320(15)(c) the high service pumping capacity can be rated for 1.368 MGD, taking the 2,000 gpm pump out of service as shown in Table 2. As part of the modifications, the existing 600 and 2,000 gpm pumps will be converted to variable frequency drives. The proposed 1,000 gpm pump will also have a variable frequency drive. The controls for these pumps will be housed in the proposed electrical room.

LIMITING COMPONENTS

The plant capacity was calculated based on FDEP criteria to determine the limiting components. The possible limiting components consist of wells (raw water sources), high service pumps, storage, and throughput plus storage. The plant capacities are calculated according to the following calculations:

Raw Water (MGD)-Max Day = Well Pumping Rates (gpm) * 1440 / $1*10^6$

Raw Water (MGD)-Avg. Day = Well Pumping Rates (gpm) - w/ largest well out of service * 1440 / $1*10^6$

Storage = Volume * 4 / $1*10^6$

Throughput plus Storage (MGD) = [((Raw Water Capacity (gpm))*240 minutes) + Storage (gallons)] * 3 / $1*10^6$

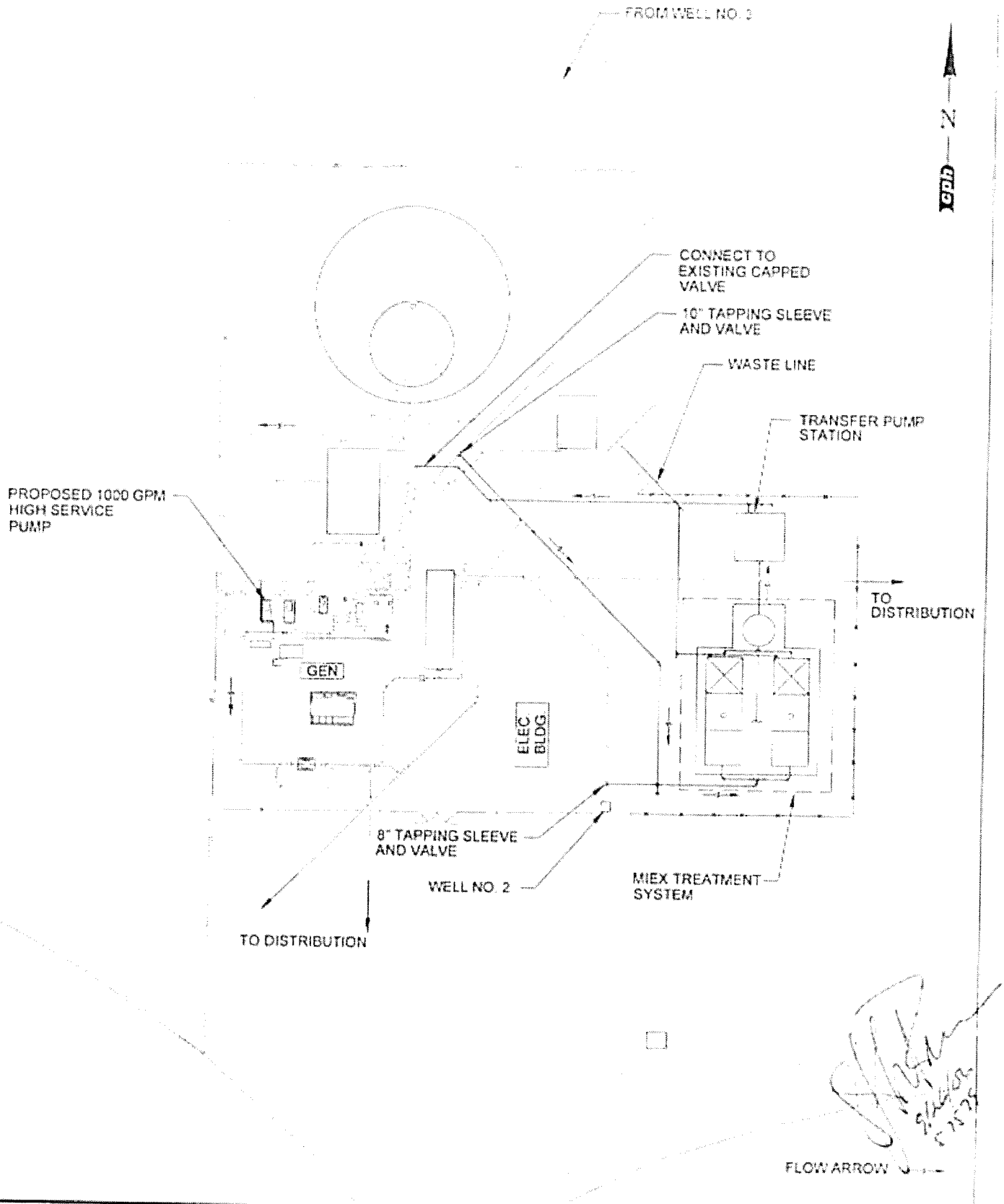
High Service Pumping (MGD) = [(High Service Pumping capacity (gpm) – w/ largest pump out of service / 2.0] *1440 / $1*10^6$

Table 3: Limiting Components

Component	Capacity (gpm)	Capacity (MGD)
Raw Water	400	**1.152**
[1]High Service Pumps	1,900	1.368
Storage	0.35 MG	1.400
Throughput plus Storage	2,463	1.770

Table 1, demonstrates each of the factors that can be considered a limiting component of the Wedgefield WTP. The limiting components of a water treatment plant or water system are the components that limit the amount of water that can be treated or provided to the system. As shown in Table 3, the raw water sources, rated at 1.152 MGD, will be the limiting component for the Facility. Figure 1 illustrates the proposed site layout for the Wedgefield Water Treatment Plant Improvements.

FIGURES



cph	Scale: 1"= 40'	WEDGEFIELD WTP EXPANSION TO 1.152 MGD	FIGURE 1
	Date: 9-18-2006		
	Job No.: U0771	WEDGEFIELD UTILITY SERVICES INC Orange County, Florida	
	Certificate of Authorization No. 3215		

Florida Department of Environmental Protection

Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

March 26, 2008

Wedgefield Utilities, Inc.
200 Weathersfield Avenue
Altamonte Springs, Florida 32714

Attention: Patrick Flynn, Regional Director

Orange County - PW
Wedgefield Water Treatment Plant Expansion
PWS # 3480149

Dear Mr. Flynn:

This acknowledges receipt of certification that the subject water treatment plant modification has been completed in accordance with the plans and related materials permitted by this agency on Permit Number WC48-0080718-009 dated April 24, 2007 and that the system has passed the pressure and bacteriological tests that were conducted in accordance with the AWWA Standards.

Based on this certification and satisfactory bacteriological results, we are clearing the system for service.

This pertains to High Service Pump No. 4 only. This clearance increases the capacity of the plant to 1.037 MGD. Separate clearance is required for the remainder of the project.

The responsibility for the microbiological quality of the water at the time it ultimately reaches the consumer's meter remains entirely with the utility and/or the owner/operator of the system who should ensure that this quality remains as represented by the bacteriological test results presented. This letter of clearance does not preclude the need for obtaining acceptance by other entities as may be required.

Sincerely,

Kyle M. Kubanek, E.I.
Engineer III
Drinking Water Permitting

KMK/mn
cc: Stephen N. Romano, P.E.
Sarah Kazi
FDEP: Richard Lott, Paul Morrison, Kim Dodson, Cary Padell

pcflynn@uiwater.com; sromano@cphengineers.com; richard.lott@dep.state.fl.us; paul.morrison@dep.state.fl.us; kim.dodson@dep.state.fl.us; cary.padell@dep.state.fl.us sarah.kazi@dep.state.fl.us

Wedgefield WTP Expansion Bid Tabulation

Item	Description	Units	Quantity	CPH Engineers		Sunshine B&D		Encore		FEC	
				Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	Mobilization/Demobilization	1	LS	$95,000.00	$95,000.00	$36,715.00	$36,715.00	$125,000.00	$125,000.00	$75,000.00	$75,000.00
2	Silt Fence	240	LF	$2.50	$600.00	$3.25	$780.00	$5.00	$1,200.00	$3.50	$840.00
3	Site Preparation & Grading	1	LS	$15,000.00	$15,000.00	$9,575.00	$9,575.00	$29,580.00	$29,580.00	$20,000.00	$20,000.00
4	Chain Link Fence with Barbed Wire	240	LF	$20.00	$4,800.00	$22.70	$5,448.00	$25.00	$6,000.00	$23.00	$5,520.00
5	Remove Existing Fence	100	LF	$10.00	$1,000.00	$9.65	$965.00	$5.00	$500.00	$10.00	$1,000.00
6	Site Piping										
6.a	2-Inch PVC Salt Line	220	LF	$10.00	$2,200.00	$13.50	$2,970.00	$16.00	$3,520.00	$15.00	$3,300.00
6.b	8-Inch Ductile Iron Piping	120	LF	$25.00	$3,000.00	$27.80	$3,336.00	$20.00	$2,400.00	$35.00	$4,200.00
6.c	10-Inch Ductile Iron Piping	180	LF	$35.00	$6,300.00	$35.00	$6,300.00	$50.00	$9,000.00	$37.00	$6,660.00
6.d	12-Inch Ductile Iron Piping	200	LF	$45.00	$9,000.00	$46.70	$9,340.00	$60.00	$12,000.00	$51.00	$10,200.00
7	Gate Valves										
7.a	8-Inch Gate Valve	4	EA	$2,500.00	$10,000.00	$1,220.00	$4,880.00	$1,500.00	$6,000.00	$1,500.00	$6,000.00
7.b	10-Inch Gate Valve	3	EA	$4,500.00	$13,500.00	$4,220.00	$12,660.00	$2,000.00	$6,000.00	$3,800.00	$11,400.00
8	12-Inch Tapping Sleeve & Valve	1	EA	$7,500.00	$7,500.00	$6,530.00	$6,530.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00
9	Fittings	3.0	TN	$6,000.00	$18,000.00	$5,440.00	$16,320.00	$8,000.00	$24,000.00	$8,000.00	$24,000.00
10	Reinforced Concrete Slab (MIEX)	87	CY	$1,000.00	$87,000.00	$1,200.00	$104,400.00	$500.00	$43,500.00	$750.00	$65,250.00
11	MIEX Installation & Piping Connections	1	LS	$50,000.00	$50,000.00	$83,060.00	$83,060.00	$200,000.00	$200,000.00	$295,630.00	$295,630.00
12	MIEX Drain/Waste System	1	LS	$5,000.00	$5,000.00	$4,575.00	$4,575.00	$10,000.00	$10,000.00	$6,000.00	$6,000.00
13	Transfer Pump Station	36	CY	$1,000.00	$36,000.00	$1,000.00	$36,000.00	$800.00	$28,800.00	$1,000.00	$36,000.00
14	Transfer Pumps & Motors	2	EA	$20,000.00	$40,000.00	$15,850.00	$31,700.00	$25,000.00	$50,000.00	$20,000.00	$40,000.00
15	High Service Pump & Associated Piping	1	LS	$25,000.00	$25,000.00	$20,600.00	$20,600.00	$40,000.00	$40,000.00	$19,000.00	$19,000.00
16	Electrical Building	1	LS	$125,000.00	$125,000.00	$118,000.00	$118,000.00	$85,000.00	$85,000.00	$90,000.00	$90,000.00
17	Electrical & Controls	1	LS	$450,000.00	$450,000.00	$595,200.00	$595,200.00	$550,000.00	$550,000.00	$625,000.00	$625,000.00
18	Restoration	1	LS	$5,000.00	$5,000.00	$6,050.00	$6,050.00	$5,000.00	$5,000.00	$10,000.00	$10,000.00
19	Disinfection, Testing, and Startup	1	LS	$2,500.00	$2,500.00	$2,500.00	$2,500.00	$5,000.00	$5,000.00	$2,500.00	$2,500.00
Total Base Bid					$1,011,400.00		**$1,117,904.00**		$1,250,000.00		$1,365,000.00
1	MIEX Direct Purchase Cost	1	LS		$1,594,000.00		$1,594,000.00		$1,594,000.00		$1,594,000.00
Total Overall Construction Cost					$2,605,400.00		$2,711,904.00		$2,844,000.00		$2,959,000.00

(5) Control of Copper Pipe Corrosion and Black Water. Applicants for a construction permit to connect a new or altered well to a community water system, except those applicants who have submitted a complete application to the Department before August 28, 2003, shall include in the preliminary design report or design data accompanying their permit application the results of measurements for alkalinity, dissolved iron, dissolved oxygen, pH, total sulfide, and turbidity in a minimum of one sample of raw water from the new or altered well. These measurements may be performed by any authorized representative of the supplier of water or applicant; but field measurements for dissolved oxygen, pH, and turbidity shall be performed following the appropriate procedures in the Department of Environmental Protection Standard Operating Procedures for Field Activities, DEP-SOP-001/01, as incorporated into Rule 62-160.800, F.A.C., and all other measurements shall be performed using an appropriate method referenced in subsection 62-550.550(1), F.A.C., or in *Standard Methods for the Examination of Water and Wastewater* as adopted in Rule 62-555.335, F.A.C. If the result for total sulfide equals or exceeds 0.3 mg/L, the applicant shall do the following:

(a) Provide aeration or other appropriate treatment of the water from the new or altered well to remove total sulfide as necessary. Recommended types of aeration treatment for different water quality ranges are listed in the table below, which is incorporated herein as guidance and not as a requirement. Direct chlorination shall not be used to remove (i.e., oxidize) 0.3 mg/L or more of total sulfide unless the elemental sulfur formed during chlorination is removed.

POTENTIAL FOR IMPACTS WITHOUT TOTAL SULFIDE REMOVAL	WATER QUALITY RANGES	POTENTIAL WATER TREATMENT
Low	Total Sulfide < 0.3 mg/L Dissolved Iron < 0.1 mg/L1	Direct Chlorination2
Moderate	0.3 mg/L Total Sulfide 0.6 mg/L @ pH 7.2 **or** 0.3 mg/L Total Sulfide 0.6 mg/L @ pH > 7.2	Conventional Aeration3 (maximum removal efficiency □ 40-50%) **or** Conventional Aeration with pH Adjustment4,5 (maximum removal efficiency □ 40-50%)
Significant	0.6 mg/L < Total Sulfide 3.0 mg/L @ pH 7.2 **or** 0.6 mg/L < Total Sulfide 3.0 mg/L @ pH > 7.2	Forced Draft Aeration3 (maximum removal efficiency □ 90%) **or** Forced Draft Aeration with pH Adjustment4,5 (maximum removal efficiency □ 90%)
Very Significant	Total Sulfide > 3.0 mg/L	Packed Tower Aeration with pH Adjustment4,5 (maximum removal efficiency > 90%)
1High iron content raises concern if chlorination alone is used and significant dissolved oxygen exists in the source water. Filtration may be required to remove particulate iron prior to water distribution.		
2Direct chlorination of sulfide in water in the pH range normally found in potable sources produces elemental sulfur and increased turbidity. Finished-water turbidity should not be more than two nephelometric turbidity units greater than raw-water turbidity.		
3Increased dissolved oxygen entrained during aeration may increase corrosivity.		
4Reduction of alkalinity during pH adjustment and high dissolved oxygen entrained during aeration may increase corrosivity. Corrosion control treatment such as pH adjustment, alkalinity recovery, or use of inhibitors may be required.		
5High alkalinity will make pH adjustment more costly, and use of other treatment may be in order. Treatment that preserves the natural alkalinity of the source water may enhance the stability of finished water.		

(b) Provide in the preliminary design report or design data accompanying the applicant's permit application a water quality and

treatment evaluation affirmatively demonstrating that the secondary maximum contaminant levels for color and odor will not be exceeded in the water supplier's drinking water distribution system or in water customers' potable water systems.

Rule 62-555.320(6), F.A.C.

(6) Capacity of Drinking Water Source and Treatment Facilities. The total capacity of all water source and treatment facilities connected to a water system shall at least equal the water system's design maximum-day water demand (including design fire-flow demand if fire protection is being provided). Applicants for a permit to construct or alter a drinking water treatment plant's source water or treatment facilities shall establish in the preliminary design report or drawings, specifications, and design data accompanying their permit application the design maximum-day capacity of the plant's source water facilities and the plant's treatment facilities and, if the plant is being designed to meet peak water demand or to supplement finished-drinking-water storage facilities in meeting peak water demand, the design peak capacity of the plant's source water facilities and the plant's treatment facilities. In turn, the Department shall specify in its construction permit for the plant's new or altered source water or treatment facilities the permitted maximum-day operating capacity of the plant and, if the plant is being designed to meet peak water demand or to supplement finished-water storage facilities in meeting peak water demand, the permitted peak operating capacity of the plant. The Department shall not specify a permitted plant operating capacity greater than the design capacity of the plant's treatment facilities as established by the applicant. However, the Department shall specify a permitted plant operating capacity less than the design capacity of the plant's treatment facilities if the actual design capacity of the plant's source water facilities, regardless of any water use permit limitations set by the water management district, is less than the design capacity of the plant's treatment facilities; in such a case:

(a) The construction permit for the plant's new or altered source water or treatment facilities shall indicate the design capacity of the plant's treatment facilities, shall state that permitted plant operating capacity is being limited because of the actual design capacity of the plant's source water facilities, and shall specify a permitted plant operating capacity equal to the actual design capacity of the plant's source water facilities.

(b) Each subsequent construction permit for new or altered source water facilities for the plant shall update the permitted plant operating capacity as appropriate.

(14) Standby Power.

(a) By no later than December 31, 2005, each community water system (CWS) serving, or designed to serve, 350 or more persons or 150 or more service connections shall provide standby power for operation of that portion of the system's water source, treatment, and pumping facilities necessary to deliver drinking water meeting all applicable primary or secondary standards at a rate at least equal to the average daily water demand for the system. If a CWS interconnects with another CWS to meet this requirement, the portion of the combined systems' components provided with standby power shall be sufficient to deliver water at a rate at least equal to the average daily water demand for the combined systems.

(b) Where standby power is required under paragraph (a) above, it shall be provided through:

1. Connection to at least two independent power feeds from separate substations; or

2. One or more auxiliary power sources (i.e., generators or engines).

(c) Where standby power is required under paragraph (a) above and is provided through connection to independent power feeds from separate substations, the power feeds shall not be located in the same conduit or supported from the same utility pole and, if overhead power feeds are used, shall not cross or be located in an area where a single plausible occurrence (e.g., a fallen tree) could disrupt both power feeds.

(d) Where standby power is required under paragraph (a) above and is provided through an auxiliary power source, an in-place auxiliary power source is preferred. A portable auxiliary power source may be provided only if all of the following conditions are met:

1. A system to automatically start up the auxiliary power source and transfer electrical loads is not required under paragraph (e) below.

2. The supplier of water demonstrates that the water system has first priority for use of the portable auxiliary power source.

3. The supplier of water demonstrates that the portable auxiliary power source will at all times be in reasonably close proximity to (i.e., within 25 miles of) the water system components for which standby power is required.

(e) Where standby power is required under paragraph (a) above and the time delay required to manually transfer electrical loads from one power source to another could result in failure to maintain the minimum water distribution system pressure required under subsection 62-555.350(7), F.A.C., the supplier of water shall provide a system to automatically start up the auxiliary power source if an auxiliary power source is provided and to automatically transfer electrical loads.

(f) At each site where standby power is required under paragraph (a) above, the supplier of water shall provide by December 31, 2005, an audio-visual alarm system that is activated in the event any power source fails. If the site is not staffed during all hours the standby-powered water system components are in operation, the alarm also shall be telemetered to a place staffed during all hours the standby-powered water system components are in operation, or shall trigger an automatic telephone dialing or paging device, to enable notification of an authorized representative of the supplier of water.

Rule 62-555.350(2), F.A.C.

(2) Suppliers of water shall keep all necessary public water system components in operation and shall maintain such components in good operating condition so the components function as intended. Preventive maintenance on electrical or mechanical equipment – including exercising of auxiliary power sources, checking the calibration of finished-drinking-water meters at treatment plants, testing of air or pressure relief valves for hydropneumatic tanks, and exercising of isolation valves – shall be performed in accordance with the equipment manufacturer's recommendations or in accordance with a written preventive maintenance program established by the supplier of water; however, in no case shall auxiliary power sources be run under load less frequently than monthly. Accumulated sludge and biogrowths shall be cleaned routinely (i.e., at least annually) from all treatment facilities that are in contact with raw, partially treated, or finished drinking water and that are not specifically designed to collect sludge or support a biogrowth; and blistering, chipped, or cracked coatings and linings on treatment or storage facilities in contact with raw, partially treated, or finished drinking water shall be rehabilitated or repaired. Finished-drinking-water storage tanks, including conventional hydropneumatic tanks with an access manhole but excluding bladder- or diaphragm-type hydropneumatic tanks without an access manhole, shall be checked at least annually to ensure that hatches are closed and screens are in place; shall be cleaned at least once every five years to remove biogrowths, calcium or iron/manganese deposits, and sludge from inside the tanks; and shall be inspected for structural and coating integrity at least once every five years by personnel under the responsible charge of a professional engineer licensed in Florida. Dead-end water mains conveying finished drinking water shall be flushed quarterly or in accordance with a written flushing program established by the supplier of water; additionally, dead-end or other water mains conveying finished water shall be flushed as necessary whenever legitimate water quality complaints are received.