

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for certificate to provide wastewater service in Highlands County by Utility Corporation of Florida, Inc. | DOCKET NO. 080079-SU
ORDER NO. PSC-08-0646-PAA-SU
ISSUED: October 6, 2008

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman
LISA POLAK EDGAR
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING WASTEWATER CERTIFICATE, APPROVING RATES,
AND REFUNDING UNAUTHORIZED REVENUE
AND ORDER DECLINING TO INITIATE SHOW CAUSE PROCEEDINGS

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the Proposed Agency Action (PAA) actions discussed herein, except for our decision to not initiate show cause proceedings, are preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

On February 4, 2008, an application was filed on behalf of Utility Corporation of Florida, Inc. (Utility Corp. or utility) for an original certificate to provide wastewater service in Highlands County. Currently, the utility serves 313 residential units and a clubhouse. Most of the residential units are villas used as vacation rentals. It is projected that the utility may serve approximately 900 residential units at buildout. Water service is provided by the Spring Lake Improvement District. The utility is located in the Southern Water Use Caution Area of the South Florida Water Management District, where irrigation is restricted to once a week.

The utility facilities have been in existence with service provided to the public for compensation since September of 1988. According to the application, there are no other wastewater treatment facilities in the Spring Lake area, and most single family homes are equipped with septic tanks. However, the facility was built to accommodate high density, multi-family developments. As such, the utility's proposed service area consists of a number of homeowner and condominium associations distributed throughout the area. The utility came to our attention in October of 2007 when its customers were noticed of an increase in rates from a

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monthly flat rate of \$22.00 to \$32.00, effective January 1, 2008. At that time, the utility facilities were owned by Utility Corp.'s parent, Spring Lake Club, Inc. (SLCI). Upon being informed that it was jurisdictional, SLCI immediately began working on an application for certificate, including the formation of a utility subsidiary, Utility Corp., effective January 1, 2008. The \$10.00 rate increase also went into effect January 1, 2008, as originally noticed. The application for certificate was filed shortly thereafter on February 4, 2008. When informed that the rate increase had not been approved, Utility Corp., did not mandate that the increase be paid by customers and held any funds collected from the increase subject to refund in an escrow account.

Pursuant to Section 367.031, Florida Statutes (F.S.), we shall grant or deny an application for a certificate of authorization within 90 days after the official filing date of the completed application. Utility Corp.'s application was deemed complete on July 3, 2008, making September 30, 2008, the date its request for certificates must be ruled upon. This order addresses the apparent violations of Sections 367.031 and 367.091, F.S., the request for an original wastewater certificate, appropriate rates and charges, and refunds. We have jurisdiction pursuant to Sections 367.031, 367.045, and 367.091, F.S.

Failure to Obtain a Certificate of Authorization Prior to Providing Service

As noted above, the facilities currently owned by Utility Corp. have been providing wastewater service to the public for compensation since September of 1988 in apparent violation of Sections 367.031 and 367.045, F.S. According to information provided in the application, the wastewater treatment plant was built by Utility Corp.'s parent company, SLCI, to serve the first high density development in Spring Lake, which was built by Golf Course Associates, Inc. Though the two companies were separate legal entities, they were jointly owned. The information provided in the application further indicates that the original developer was unaware that a certificate of authorization was necessary, as the system was subsidized by the developer and not operated for profit. Upon being notified that it was jurisdictional, SLCI separated its utility operations from its other business operations by forming Utility Corp, effective January 1, 2008. Both SLCI and Utility Corp. have been responsive in filing this application and providing all subsequent information we have required.

Section 367.031, F.S., provides that "each utility subject to the jurisdiction of the commission must obtain from the commission a certificate of authorization to provide water or wastewater service." Moreover, Section 367.161(1), F.S., authorizes us to assess a penalty of not more than \$5,000 for each offense, if a utility is found to have knowingly refused to comply with, or to have willfully violated any provision of Chapter 367, F.S. Utilities are charged with the knowledge of the our statutes and rules. Thus, any intentional act, such as Utility Corp., providing wastewater service to the public for compensation since September of 1988 without first obtaining a certificate of authorization, would meet the standard for a "willful violation" of Section 367.161(1), F.S. In Order No. 24306, issued April 1, 1991, in Docket No. 890216-TL, In Re: Investigation Into The Proper Application of Rule 25-14.003, Florida Administrative Code, Relating to Tax Savings Refund For 1988 and 1989 For GTE Florida, Inc., having found that the company had not intended to violate the rule, we nevertheless found it appropriate to

order the utility to show cause why it should not be fined, stating that “[i]n our view, ‘willful’ implies an intent to do an act, and this is distinct from an intent to violate a statute or rule.”

Although Utility Corp.’s failure to obtain a certificate of authorization prior to charging the public for service is an apparent violation of Sections 367.031 and 367.045, F.S., and Rule 25-30.034, F.A.C., there are circumstances which appear to mitigate the apparent violations. SLCI mistakenly believed that it did not need to be regulated if it was providing services to its own development without profit. When SLCI became aware that it was subject to our jurisdiction, it immediately took the steps necessary to file for a certificate of authorization, including the formation of a utility subsidiary. In addition, Utility Corp. has been extremely responsive to our requests for information during the pendency of this application. Since, after initial discussions, the utility fully cooperated in filing this application for a certificate of authorization, we do not believe that the apparent violations of Sections 367.031, 367.045, F.S., and Rule 25-30.045, F.A.C., rise to the level of warranting a show cause order. Therefore, we find that Utility Corp., shall not be fined for providing wastewater service to the public for compensation without first obtaining a certificate of authorization in apparent violation of Section 367.031, 367.045, F.S., and Rule 25-30.034, F.A.C.

Unauthorized Rate Increase

As stated above, Utility Corp. placed a \$10.00 increase in monthly rates from \$22.00 to \$32.00 into effect on January 1, 2008. Utility Corp. notified its customers regarding the rate increase prior to our becoming aware that the utility was in existence and charging rates without a certificate of authorization. After being notified that the utility was subject to our jurisdiction and that rates and charges needed to be approved by us, the utility subsequently notified its customers that it would not require that the rate increase be paid prior to our approval. In addition, the utility placed any funds collected as a result of the rate increase in an escrow account so that it could be refunded, if necessary. As of September 1, 2008, the utility’s escrow account had accrued \$2,110.

Section 367.081(1), F.S., provides that a utility may only charge rates and charges that have been approved by the Commission. Section 367.091(3), F.S., requires that each utility’s rates, charges, and customer service policies be contained in a tariff approved by and on file with the Commission. Rule 25-30.135(1) and (2), F.A.C. requires utilities to file tariffs and prohibits utilities from modifying or revising their rules, regulations, or schedules of rates and charges until they file and receive approval from the Commission for any such modification or revision. By increasing its rates in January 2008 without Commission approval, Utility Corp., is in apparent violation of the above-identified provisions of Chapter 367, F.S., and applicable Commission rules.

As discussed previously, Section 367.161(1), F.S., authorizes us to assess a penalty of not more than \$5,000 for each offense, if a utility is found to have knowingly refused to comply with, or to have willfully violated any provision of Chapter 367, F.S. By increasing its rates January 1, 2008, without our prior approval, the utility’s act was “willful” in the sense intended by Section 367.161, F.S. (See Order No. 24306, issued April 1, 1991, in Docket No. 890216-TL,

In Re: Investigation Into The Proper Application of Rule 25-14.003, Florida Administrative Code, Relating to Tax Savings Refund For 1988 and 1989 For GTE Florida, Inc.).

However, we do not believe that a show cause proceeding is appropriate within these factual circumstances. Although Utility Corp.'s failure to obtain our approval prior to increasing its rates on January 1, 2008, is an apparent violation of Sections 367.081(1) and 367.091(3), F.S., and Rule 25-30.135, F.A.C., there are circumstances which appear to mitigate the utility's apparent violation. As noted, the increase in rates was a scheduled increase that was noticed prior to our becoming aware of the utility's existence and prior to the utility filing an application for certificate of authorization. In addition, the utility made payment of the rate increase both an option to its customers, and subject to refund. Since the utility did not require that its customers pay the increase prior our approval, and the utility made provisions for the possible refund of the monies obtained from the rate increase, we believe that any possible harm to the customers has been mitigated. Therefore, we find that the apparent violations of Sections 367.081(1) and 367.091(3), F.S., and Rule 25-30.135, F.A.C., do not rise to the level that warrant the initiation of a show cause proceeding in these circumstances.

Application for Wastewater Certificate

Utility Corp. filed an application for an original wastewater certificate on February 4, 2008. As completed on July 3, 2008, the application is in compliance with the governing statute, Section 367.045, F.S., and other pertinent statutes and administrative rules concerning an application for original certificate.

The application contains evidence that notice of the application was given pursuant to Rule 25-30.030, F.A.C. No objections to the notice have been filed and the time for filing objections has expired. The application also contains a description of the territory to be served, a detailed system map, and an adequate territory map as prescribed by Rule 25-30.034(1)(h), (i), and (j), F.A.C. A description of the territory requested by the applicant is appended to this order as Attachment A. Pursuant to Rule 25-30.034(1)(e), F.A.C., the application contains a 99-year Commercial Lease Agreement between SLCI and Utility Corp., entered into on January 1, 2008.

The applicant has the financial and technical ability to provide wastewater service to the area. In preparation for regulation, Utility Corp., was incorporated by SLCI as of January 1, 2008, to separate utility and non-utility functions and assets. As a consequence, Utility Corp. has not been in existence long enough to establish a financial record on its own. Instead, the application contains a copy of SLCI's financial statements, as well as a pledge by SLCI to continue to provide financial support for Utility Corp. until it becomes profitable or is sold to a third party. From SLCI's financial statements, it appears that Utility Corp. will have sufficient access to equity to continue to provide safe, reliable, and efficient wastewater services. In addition, the application indicates that Utility Corp., has the experienced personnel and licensed operators necessary to ensure that its facilities will be properly operated and maintained.

At the time the application was filed, we verified with the Florida Department of Environmental Protection (DEP) that Utility Corp. was in compliance with all of the DEP's

standards and rules. At that time, reuse water was permitted for discharge into a sealed stormwater runoff pond. Prior to this season's tropical storms, Utility Corp. diverted all reuse water to irrigation for SLCI's golf course facilities. During Hurricane Fay, SLCI removed the sand plug on the pond so that excess stormwater runoff could discharge directly into an existing, adjacent canal. This was done to avoid a backup of storm water into customers' septic tanks, but was also done prior to having the pond re-permitted exclusively for stormwater. According to information provided by the DEP and Utility Corp., the utility's engineering firm is coordinating with the DEP on the re-permit process and on contingencies for possible storms in the interim.

Finally, it has been verified that the utility's books and records have been converted to the National Association of Regulatory Utility Commissioners' Uniform System of Accounts. We have also confirmed that utility management understands the need to keep the utility's records separate from those of the parent in the future.

Based on the above information, we find that it is in the public interest to grant Utility Corp. Certificate No. 550-S to serve the territory described in Attachment A, effective the date of our vote. The resultant order should serve as Utility Corp.'s water and wastewater certificate and should be retained by the utility.

Appropriate Rates and Charges

Since there are no water meters to measure individual usage in the wastewater treatment system and since it serves a largely homogenous group, customers are charged a monthly flat rate. The utility's proposed monthly flat rate is \$32.00 per unit for residential and general service customers, which includes a few single family homes, a triplex, and several homeowners and condominium associations. The clubhouse is billed at a rate of 4 times \$32.00, based on historical water usage. The utility does not propose any miscellaneous service charges or customer deposits. While the utility is not built out, it does not propose any service availability charges, requiring instead that new lines be donated by the developer. This is consistent with Rule 25-30.580, F.A.C.

As previously discussed, we became aware of the existence of the utility when it noticed its customers of a \$10.00 increase in rates from \$22.00 to \$32.00, effective January 1, 2008. As part of the application, Utility Corp. provided documentation in support of a monthly rate of \$32.00 per unit. Collecting \$32.00 per unit per month for 317 units will result in revenues of \$121,728 per year. The utility provided a schedule showing historical operating and maintenance (O&M) costs for 2007 and projected O&M costs for 2008. Of primary concern to the utility in proposing the \$10.00 rate increase was the additional operator hours required by the DEP. At the time of the application, the utility had one operator which worked a regular 40 hour week. Because the utility provides effluent treated to public access standards, the DEP required the utility to have operators monitoring its wastewater treatment system 24 hours a day, seven days a week. During the pendency of the application, the DEP modified its prior requirement to that of having an operator available 8 hours a day, seven days a week, which is the equivalent of one full-time and one part-time operator.

In addition to employee salary, wages, and payroll taxes, Utility Corp.'s O&M expenses include professional fees for accounting and management, contractual services, rent, purchased power, sludge removal, chemicals, materials and supplies, insurance, miscellaneous expenses, and regulatory assessment fees, totaling approximately \$168,026, which exceed the utility's proposed revenues. We have reviewed the utility's expenses and believe that they are reasonable for purposes of determining whether the utility's proposed monthly service rate of \$32.00 per unit is justified.

In addition to providing wastewater treatment services, the utility has reclaimed water facilities. The treated effluent is used to provide irrigation to SLCI's golf course facilities. In order to ensure that the provision of irrigation services to SLCI is not cross-subsidized by the utility's other customers, we approve a usage charge of \$0.50 per thousand gallons of treated effluent. The utility has a meter which registers the amount of treated effluent leaving the weir, which is the final processing facility for the treated effluent. At an estimated annual usage of 4,470,000 gallons, the revenues would offset the utility's operating expenses by approximately \$2,235 while still not causing the utility to overearn.

Therefore, we approve a monthly service rate of \$32.00 per unit for wastewater treatment. In addition, a charge \$0.50 per thousand gallons of treated effluent shall be approved. Utility Corp. shall be required to charge these approved rates until authorized to change them in a subsequent proceeding. Utility Corp. shall file a proposed customer notice and tariff sheets reflecting these rates for our approval. Once the notice and tariff sheets have been approved, rates shall be effective for services rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The utility shall distribute the approved notice to customers no later than with the first bill containing the rates. Proof of the date the notice was given shall be filed with the Commission within ten days after the date of the notice.

Refund of Revenues from Unauthorized Rate Increase

As previously noted, the utility placed a \$10.00 rate increase into effect on January 1, 2008, after learning that the utility was subject to our jurisdiction, but prior to the filing of its application for an initial certificate of authorization on February 4, 2008. The utility did not make the rate increase mandatory and placed the revenues collected from the rate increase in an escrow account, which has accrued a balance of \$2,110 as of September 1, 2008. As discussed above, we have not required that the utility show cause why it should not be fined for violation of Sections 367.081(1) and 367.091(3), F.S., and Rule 25-30.135, F.A.C. However, since the rate increase was not approved and as such, the utility was in apparent violation of Section 367.081, F.S., we find that all revenues from the unauthorized rate increase shall be refunded to the accounts of the customers who paid the unauthorized rate increase (qualified customers) with interest.

Therefore, Utility Corp. shall be required to refund all of the revenues collected from the unauthorized rate increase, with interest, within 90 days of the Consummating Order in this docket, pursuant to Rule 25-30.360, F.A.C. Interest shall be calculated pursuant to Rule 25-30.360(4), F.A.C., with the average monthly interest rate calculated for each month of the refund period. The interest on the refunds shall continue to accrue until the refunds are complete. The

refunds shall be credited to the accounts of the qualified customers or mailed to each qualified customer's last known address. No maintenance or administrative costs associated with the refunds shall be borne by the customers. The utility shall provide monthly refund reports until the refunds are completed, as well as a final refund status report within 30 days from the date that the refunds are completed, as required by Rule 25-30.360(2) and (7), F.A.C, respectively. The utility shall treat any unclaimed refunds in accordance with Rule 25-30.360(8), F.A.C.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Utility Corporation of Florida, Inc.'s application for a wastewater certificate is hereby approved, effective September 29, 2008. It is further

ORDERED that Utility Corporation of Florida, Inc., shall be issued Certificate No. 550-S to serve the territory described in Attachment A. It is further

ORDERED that this order shall serve as Utility Corporation of Florida, Inc.'s wastewater certificate and shall be retained by the utility. It is further

ORDERED that each of the findings made in the body of this Order is hereby approved in every respect. It is further

ORDERED that all schedules and attachments to this Order are incorporated by reference herein. It is further

ORDERED that a monthly service rate of \$32.00 per unit for wastewater treatment and a charge of \$0.50 per thousand gallons of treated effluent is approved as set forth herein. It is further

ORDERED that Utility Corporation of Florida, Inc., shall be required to charge these approved rates until authorized to change them in a subsequent proceeding. It is further

ORDERED that Utility Corporation of Florida, Inc., shall distribute the notice to its customers no later than with the first bill containing the rates and shall provide proof of the date the notice was given no less than ten days after the date of the notice. It is further

ORDERED that the approved rates and charges shall be effective for service rendered on or after the stamped approval date of the tariff sheets pursuant to Rule 25-30.475, F.A.C. It is further

ORDERED that all revenues from the unauthorized rate increase shall be refunded to qualified customers with interest as set forth herein. It is further

ORDERED that Utility Corporation of Florida, Inc., shall provide monthly refund reports until the refunds are completed, as well as final refund report within 30 days from the date that

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the refunds are completed as required by Rule 25-30.360(2) and (7), F.A.C., respectively. It is further

ORDERED that this docket shall be held open pending verification that noticing to customers of the approved rates has been given and that refunds to customers have been made after which staff shall be granted administrative authority to close this docket.

By ORDER of the Florida Public Service Commission this 6th day of October, 2008.

ANN COLE
Commission Clerk

By: 

Hong Wang
Office of Commission Clerk

(S E A L)

CMK

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our actions herein, except for our decision to initiate show cause proceedings, are preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 27, 2008. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Any party adversely affected by the Commission's final action in this matter may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Office of Commission Clerk and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory
Highlands County**

Parcel A

**Township 35 South, Range 30 East
Section 16**

(Parcel A) Country Club Villas Phase I, Plat Book 15, Page 74, Public Records of Highlands County, Florida, Country Club Villas Phase II, Plat Book 15, Page 111, Public Records of Highlands County, Florida, and Country Club Villas Phase III, Plat Book 15, Page 139, Public Records of Highlands County, Florida, lying in Section 16, Township 35 South, Range 30 East and being more particularly described as follows:

From the Northeast corner of said Section 16 $S00^{\circ}26'13''W$ along the East line of said Section 16 a distance of 1,476.91 feet; thence $N66^{\circ}57'26''W$ a distance of 121.04 feet; thence $S82^{\circ}57'50''W$ a distance of 419.52 feet; thence $S78^{\circ}53'21''W$ a distance of 230.00 feet to the West right-of-way line of Duane Palmer Boulevard and the point of curvature of a curve concave to the left having a radius of 1,325.38 feet, a central angle of $18^{\circ}32'02''$, and a chord bearing of $S20^{\circ}22'40''E$, also being the Point of Beginning of the herein described parcel; thence Southeasterly along said right-of-way line and curve an arc distance of 428.73 feet; thence $S38^{\circ}25'43''W$ a distance of 120.35 feet; thence $S72^{\circ}03'49''W$ a distance of 120.00 feet; thence $S02^{\circ}00'00''E$ a distance of 920.00 feet to a point on a curve concave to the left having a radius of 965.34 feet, central angle of $2^{\circ}22'27''$, and a chord bearing of $N87^{\circ}42'01''W$; thence Northwesterly along said curve an arc distance of 40.00 feet to the point of tangency of said curve; thence $N88^{\circ}53'15''W$ a distance of 467.98 feet to the point of curvature of a curve concave to the right having a radius of 378.28 feet, a central angle of $73^{\circ}07'00''$; thence Northwesterly along said curve an arc distance of 482.73 feet to the terminus of said curve; thence $N06^{\circ}51'06''W$ a distance of 64.50 feet; thence $N15^{\circ}46'15''W$ a distance of 765.00 feet to a point on a curve concave to the left having a radius of 200.00 feet, central angle of $90^{\circ}00'00''$, and a chord bearing of $S60^{\circ}46'15''E$; thence Southeasterly along said curve an arc distance of 314.16 feet to the point of tangency of said curve; thence $N74^{\circ}13'45''E$ a distance of 615.93 feet to the point of curvature of a curve concave to the left having a radius of 200.00 feet and a central angle of $85^{\circ}20'24''$; thence Northeasterly along said curve an arc distance of 297.89 feet; thence $N11^{\circ}06'39''W$ a distance of 95.00 feet; thence $N78^{\circ}53'21''E$ a distance of 125.00 feet to the said West right-of-way line of Duane Palmer Boulevard; thence $S11^{\circ}06'39''E$ along said right-of-way line a distance of 13.37 feet to the Point of Beginning. Contains 22.99 acres more or less.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory, continued
Highlands County**

Parcel B

**Township 35 South, Range 30 East
Sections 15 and 16**

(Parcel B) Waterway Patio Homes Official Records Book 1496, Page 1310 and Records Book 1698, Page 1869 Public Records of Highlands County, Florida, lying in Sections 15 and 16, Township 35 South, Range 30 East and being more particularly described as follows:

From the Northwest corner of said Section 15 S00°26'13"W along the West line of said Section 15 also being the East line of said Section 16 a distance of 1,476.91 feet to the Point of Beginning of the herein described parcel; thence S66°57'26"E a distance of 230.26 feet; thence S52°23'43"E a distance of 177.88 feet to a point on a curve concave to the right having a radius of 1,608.06 feet, a central angle of 31°04'05", and a chord bearing of S51°54'05"W; thence Northeasterly along said curve an arc distance of 871.95 feet to a point of reverse curvature of a curve concave to the left having a radius of 490.00 feet, a central angle of 37°05'57", and a chord bearing of N48°53'08"E; thence Northeasterly along said curve an arc distance of 317.28 feet to the point of reverse curvature of a curve concave to the right having a radius of 279.00 feet, central angle of 63°39'32", and a chord bearing of N62°09'56"E; thence Northeasterly along said curve an arc distance of 309.98 feet; to the terminus of said curve; thence S12°12'19"E a distance of 219.39 feet; thence S64°01'18"W a distance of 638.59 feet to the point of curvature of a curve concave to the left having a radius of 1483.06 feet, a central angle of 38°43'07", and a chord bearing of S44°39'45"W; thence Southwesterly along said curve an arc distance of 1,002.20 feet; thence S25°18'12"W a distance of 533.79 feet to the North right-of-way line of Duane Palmer Boulevard and a point on a curve concave to the right having a radius of 1491.46 feet, central angle of 4°49'11", and a chord bearing of N59°58'52"W; thence Northwesterly along said right-of-way line and along said curve an arc distance of 125.46 feet; thence N25°18'12"E a distance of 151.30 feet to a point on a curve concave to the right having a radius of 1,341.46 feet, central angle of 19°23'04", and a chord bearing of N47°04'39"W; thence Northwesterly along said curve an arc distance of 453.84 feet to the point of tangency of said curve; thence N37°23'07"W a distance of 44.99 feet to the point of curvature of a curve concave to the right having a radius of 1,095.38 feet, central angle of 26°16'28" chord bearing of N24°14'53"W; thence Northwesterly along said curve an arc distance of 502.31 feet; thence N82°57'50"E a distance of 419.52 feet; thence S66°57'26"E a distance of 121.04 feet to the Point of Beginning. Contains 16.98 acres more or less.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory, continued
Highlands County**

Parcel BA

**Township 35 South, Range 30 East
Section 15**

(Parcel BA) The East 275 feet more or less of Parcel F, Fairway Lakes, Plat Book 12, Page 43, Public Records of Highlands County, Florida, lying in Section 15, Township 35 South, Range 30 East and being more particularly described as follows:

From the Northwest corner of said Section 15 S00°26'13"W along the West line of said Section 15 a distance of 1,476.91 feet; thence S66°57'26"E a distance of 230.26 feet; thence S52°23'43"E a distance of 177.88 feet to a point on a curve concave to the right having a radius of 1,608.06 feet, a central angle of 31°04'05", and a chord bearing of S51°54'05"W; thence Northeasterly along said curve an arc distance of 871.95 feet to a point of reverse curvature of a curve concave to the left having a radius of 490.00 feet, a central angle of 37°05'57", and a chord bearing of N48°53'08"E; thence Northeasterly along said curve an arc distance of 317.28 feet to the point of reverse curvature of a curve concave to the right having a radius of 279.00 feet, central angle of 63°39'32", and a chord bearing of N62°09'56"E; thence Northeasterly along said curve an arc distance of 309.98 feet to the terminus of said curve and the Point of Beginning of the herein described parcel; thence N12°12'19"W a distance of 335.79 feet to a point on a curve concave to the left having a radius of 1,669.64 feet, a central angle of 0°11'07", and a chord bearing of N77°51'51"E; thence Northeasterly along said curve an arc distance of 5.40 feet to the point of tangency of said curve; thence N77°47'41"E a distance of 269.60 feet; thence S12°12'19"E a distance of 487.76 feet; thence S64°01'18"W a distance of 283.14 feet; thence N12°12'19"E a distance of 219.39 feet to the Point of Beginning. Contains 3.29 acres more or less.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory, continued
Highlands County**

Parcel BB

**Township 35 South, Range 30 East
Section 15**

(Parcel BB) A portion of the North 500 feet of the South 600 feet of the West 300 feet of the drainage and maintenance tract lying adjacent to the East line of Parcel F, Fairway Lakes, Plat Book 12, Page 43, Public Records of Highlands County, Florida, lying in Section 15, Township 35 South, Range 30 East and being more particularly described as follows:

From the Northwest corner of said Section 15 S00°26'13"W along the West line of said Section 15 a distance of 1476.91 feet; thence S66°57'26"E a distance of 230.26 feet; thence S52°23'43"E a distance of 177.88 feet to a point on a curve concave to the right having a radius of 1,608.06 feet, a central angle of 31°04'05", and a chord bearing of S51°54'05"W; thence Northeasterly along said curve an arc distance of 871.95 feet to a point of reverse curvature of a curve concave to the left having a radius of 490.00 feet, a central angle of 37°05'57", and a chord bearing of N48°53'08"E; thence Northeasterly along said curve an arc distance of 317.28 feet to the point of reverse curvature of a curve concave to the right having a radius of 279.00 feet, central angle of 63°39'32", and a chord bearing of N62°09'56"E; thence Northeasterly along said curve an arc distance of 309.98 feet to the terminus of said curve; thence N12°12'19"W a distance of 335.79 feet to a point on a curve concave to the left having a radius of 1669.64 feet, a central angle of 0°11'07", and a chord bearing of N77°51'51"E; thence Northeasterly along said curve an arc distance of 5.40 feet to the point of tangency of said curve; thence N77°47'41"E a distance of 269.60 feet to the Point of Beginning of the herein described parcel; thence continue N77°47'41"E a distance of 300.00 feet; thence S12°12'19"E a distance of 414.23 feet; thence S64°01'18"W a distance of 308.88 feet; thence N12°12'19"W a distance of 487.76 feet to the Point of Beginning. Contains 3.11 acres more or less.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory, continued
Highlands County**

Parcel C

**Township 35 South, Range 30 East
Section 15**

(Parcel C) Parcel J, and J-1 Spring Lake Village VII Plat Book 11, Page 7 Public Records of Highlands County, Florida lying in Section 15, Township 35 South, Range 30 East and being more particularly described as follows:

From the Northwest corner of said Section 15 $S00^{\circ}26'13''W$ along the West line of said Section 15 a distance of 2,600.27 feet; thence $S89^{\circ}33'47''E$ a distance of 161.60 feet to the South right-of-way line of Duane Palmer Boulevard and the Point of Beginning of the herein described parcel; thence Southeasterly along said right-of-way line and along a curve concave to the left having a radius of 1,571.46 feet, a central angle of $37^{\circ}47'44''$, and a chord bearing of $S85^{\circ}46'57''E$ an arc distance of 1,036.63 feet; thence $S27^{\circ}52'00''E$ a distance of 649.44 feet to a point on a curve concave to the right having a radius of 1,382.39 feet, a central angle of $26^{\circ}56'07''$, and a chord bearing of $S75^{\circ}36'03''W$; thence Southwesterly along said curve an arc distance of 649.87 feet; thence $N08^{\circ}54'42''W$ a distance of 361.31 feet to a point on a curve concave right having a radius of 1897.59 feet, a central angle of $25^{\circ}09'17''$, and a chord bearing of $N78^{\circ}05'29''W$; thence Northwesterly along said curve an arc distance of 833.11 feet to a point on a curve concave to the left having a radius of 1090.40 feet, a central angle of $14^{\circ}06'57''$, and a chord bearing of $N32^{\circ}21'40''E$; thence Northeasterly along said curve an arc distance of 268.64 feet; thence $N25^{\circ}18'12''E$ a distance of 61.15 feet to the Point of Beginning. Contains 13.69 acres more or less.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory, continued
Highlands County**

Parcel D

**Township 35 South, Range 30 East
Sections 9 and 10**

(Parcel D) Blocks A-A, B-B, D, E, F, Y, and Z, Spring Lake Village VII, Plat Book 11, Page 7, Public Records of Highlands County, Florida, lying in Sections 9 and 10, Township 35 South, Range 30 East and being more particularly described as follows:

From the Southwest corner of said Section 10 N04°27'29"E along the West line of said Section 10 a distance of 272.27 feet to the Point of Beginning of the herein described parcel; thence N74°21'03"W a distance of 172.65 feet; thence N15°38'57"E a distance of 364.09 feet to the point of curvature of a curve concave to the left having a radius of 2249.05 feet and a central angle of 17°43'57"; thence Northerly along said curve an arc distance of 696.06 feet to the point of reverse curvature of a curve concave to the right having a radius of 200.00 feet and a central angle of 85°33'02"; thence Northeasterly along said curve an arc distance of 293.63 feet to the point of tangency of said curve; thence N83°28'02"E a distance of 107.36 feet to a point on a non-tangent curve concave to the left having a radius of 2549.05 feet, a central angle of 02°00'19", and a chord bearing of N07°45'37"W; thence Northerly along said curve an arc distance of 89.22 feet to the point of reverse curvature of a curve concave to the right having a radius of 50.00 feet and a central angle of 95°52'25"; thence Northeasterly along said curve an arc distance of 83.67 feet to the point of reverse curvature of a curve concave to the left having a radius of 964.94 feet and a central angle of 11°44'19"; thence Easterly along said curve an arc distance of 197.69 feet to the point of reverse curvature of a curve concave to the right having a radius of 50.00 feet and a central angle of 100°04'33"; thence Southeasterly along said curve an arc distance of 87.33 feet to the point of tangency of said curve; thence S04°33'09"E a distance of 206.05 feet to the point of curvature of a curve concave to the right having a radius of 2,849.05 feet and a central angle of 18°20'39"; thence Southerly along said curve an arc distance of 912.17 feet; thence N76°12'30"W a distance of 125.00 feet to a point on a curve concave to the right having a radius of 2724.05 feet, a central angle of 01°51'27", and a chord bearing of S14°43'14"W; thence Southerly along said curve an arc distance of 88.31 feet to the point of tangency of said curve; thence S15°38'57"W a distance of 289.09 feet to the point of curvature of a curve concave to the right having a radius of 75.00 feet and a central angle of 90°00'00"; thence Southwesterly along said curve an arc distance of 117.81 feet to the point of tangency of said curve; thence N74°21'03"W a distance of 227.35 feet to the Point of Beginning. Contains 18.22 acres more or less.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory, continued
Highlands County**

Parcel E

**Township 35 South, Range 30 East
Section 10**

(Parcel E) Oak Leaf Subdivision, Plat Book 15, Page 115, Public Records of Highlands County, Florida, lying in Section 10, Township 35 South, Range 30 East and being more particularly described as follows:

From the Southeast corner of said Section 10 S89°40'25"W along the South line of said Section 10 a distance of 1284.22 feet; thence N65°38'00"E a distance of 5.83 feet to the Point of Beginning of the herein described parcel; thence N24°22'00"W a distance of 575.00 feet; thence N26°51'07"E a distance of 70.42 feet; thence N65°38'00"E a distance of 575.10 feet to the West right-of-way line of Duane Palmer Boulevard; thence S24°22'00"E along said West right-of-way line a distance of 619.11 feet; thence S65°38'00"W a distance of 630.00 feet to the Point of Beginning. Contains 8.93 acres more or less.

Parcel F

**Township 35 South, Range 30 East
Section 10**

(Parcel F) Parcel D, Spring Lake Village VII, Plat Book 11, Page 7, Public Records of Highlands County, Florida, lying in Section 10, Township 35 South, Range 30 East and being more particularly described as follows:

From the Southeast corner of said Section 10 S89°40'25"W along the South line of said Section 10 a distance of 1,284.22 feet; thence N65°38'00"E a distance of 5.83 feet; thence N65°38'00"E a distance of 710.00 feet to the East right-of-way line of Duane Palmer Boulevard and the Point of Beginning of the herein described parcel; thence N24°22'00"W along said East right-of-way line a distance of 732.32 feet to the point of curvature of a curve concave to the right having a radius of 1479.58 feet and a central angle of 06°44'35"; thence Northerly along said curve an arc distance of 174.13 feet; thence N74°42'01"E a distance of 58.79 feet to the point of curvature of a curve concave to the left having a radius of 1037.28 feet and a central angle of 10°04'30"; thence Easterly along said curve an arc distance of 182.40 feet; thence S24°22'00"E a distance of 854.43 feet to a point on a curve concave to the right having a radius of 475.34 feet and a central angle of 20°18'41"; thence Southwesterly along said curve an arc distance of 168.51 feet to the point of tangency of said curve; thence S65°38'00"W a distance of 85.00 feet to the Point of Beginning. Contains 5.07 acres more or less.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory, continued
Highlands County**

Parcel G

**Township 35 South, Range 30 East
Section 10**

(Parcel G) Lots 1 thru 12, Block A Fairway Lakes, Plat Book 12, Page 43, Public Records of Highlands County, Florida, lying in Section 10, Township 35 South, Range 30 East and being more particularly described as follows:

From the Northwest corner of said Section 10 S89°59'15"E along the North line of said Section 10 a distance of 371.48 feet; thence S09°47'38"E a distance of 678.77 feet to the Point of Beginning of the herein described parcel; thence N00°43'40"E a distance of 237.77 feet to a non-tangent curve concave to the right having a radius of 175.00 feet, a central angle of 185°30'05", and a chord bearing of N41°42'41"E; thence Northeasterly along said curve an arc distance of 566.58 feet to the terminus of said curve; thence S34°23'40"E a distance of 28.61 feet to a point on a curve concave to the right having a radius of 500.00 feet, a central angle of 31°30'00", and a chord bearing of S74°15'46"W; thence Easterly along said curve an arc distance of 274.89 feet to the point of tangency of said curve; thence S89°59'14"E a distance of 895.17 feet to a point on a curve concave to the left having a radius of 250.00 feet, central angle of 41°17'52" and chord bearing of S27°31'41"E; thence Southerly along said curve an arc distance of 180.20 feet to the point of reverse curvature of a curve concave to the right having a radius of 530.00 feet and a central angle of 87°15'12"; thence Southerly along said curve an arc distance of 807.11 feet to the point of reverse curvature of a curve concave to the left having a radius of 400.00 feet and a central angle of 17°35'18"; thence Southerly along said curve an arc distance of 122.79 feet to the point of compound curvature of a curve concave to the left having a radius of 55.00 feet and a central angle of 107°13'10"; thence Southeasterly along said curve an arc distance of 102.92 feet to the point of reverse curvature of a curve concave to the right having a radius of 55.00 feet and a central angle of 96°40'44"; thence Southeasterly along said curve an arc distance of 92.81 feet to the point of tangency of said curve; thence S10°56'51"W a distance of 82.46 feet to a point on a curve concave to the left having a radius of 978.72 feet, central angle of 17°12'23", and a chord bearing of S88°48'33"W; thence Westerly along said curve an arc distance of 293.92 feet to the point of tangency of said curve; thence S80°12'22"W a distance of 1342.13 feet to the point of curvature of a curve concave to the right having a radius of 25.00 feet and a central angle of 90°00'00"; thence Northwesterly along said curve an arc distance of 39.27 feet to the point of tangency of said curve; thence N09°47'38"W a distance of 611.87 feet; thence N80°12'22"E a distance of 65.00 feet to the point of curvature of a curve concave to the left having a radius of 160.00 feet and a central angle of 90°00'00"; thence Northeasterly along said curve an arc distance of 251.33 feet to the point of tangency of said curve; thence N09°47'38"W a distance of 80.00 feet to the Point of Beginning. Contains 49.06 acres more or less.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory, continued
Highlands County**

Parcel H

**Township 35 South, Range 30 East
Sections 9, 10, 15, and 16**

(Parcel H) Lots 1 thru 18, Block D and Lots 29 thru 36, Block B Fairway Lakes, Plat Book 12, Page 43, Public Records of Highlands County, Florida, lying in Sections 9, 10, 15, and 16 Township 35 South, Range 30 East and being more particularly described as follows:

From the Southwest corner of said Section 10 also being the Northwest corner of said Section 15 S00°26'13"E along the West line of said Section 15 a distance of 229.62 feet to the Point of Beginning of the herein described parcel; thence N63°25'48"W a distance of 211.41 feet to the point of curvature of a curve concave to the right having a radius of 96.46 feet and a central angle of 79°04'45"; thence Northwesterly along said curve an arc distance of 133.13 feet to the point of tangency of said curve; thence N15°38'57"E a distance of 354.00 feet; thence S74°21'03"E a distance of 400.00 feet to the point of curvature of a curve concave to the left having a radius of 75.00 feet and a central angle of 90°00'00"; thence along said curve an arc distance of 117.81 feet to the point of tangency said curve; thence N15°38'57"E a distance of 289.09 feet to the point of curvature of a curve concave to the left having a radius of 2,424.05 feet and a central angle of 01°51'27"; thence Northerly along said curve an arc distance of 88.31 feet; thence S76°12'30"E a distance of 125.00 feet to a point on a curve concave to the right having a radius of 2,849.05 feet a central angle of 00°35'00" and a chord bearing of S14°05'00"W; thence Southerly along said curve an arc distance of 29.01 feet; thence S75°37'30"E a distance of 270.00 feet to a point on a curve concave to the left having a radius of 3119.05 feet, a central angle of 00°14'56", and a chord bearing of N14°15'02"E; thence Northerly along said curve an arc distance of 13.54 feet; thence S75°52'24"E a distance of 230.01 feet to a point on a curve concave to the right having a radius of 3,349.05 feet and a central angle of 02°23'22"; thence Southerly along said curve an arc distance of 139.67 feet to the point of tangency of said curve; thence S16°30'58"W a distance of 734.02 feet to a point on a curve concave to the right having a radius of 1563.04 feet and a central angle of 04°20'55"; thence Northwesterly along said curve an arc distance of 118.63 feet to the point of tangency of said curve; thence N74°21'03"W a distance of 480.00 feet; thence S88°18'34"W a distance of 213.96 feet to the Point of Beginning. Contains 17.36 acres more or less.

**Utility Corporation of Florida, Inc.
Wastewater Service Territory, continued
Highlands County**

Parcel I

**Township 35 South, Range 30 East
Section 10**

(Parcel I) That portion of the North 230 feet of Parcel B lying East of Lot 24, Block B and West of Duane Palmer Boulevard, Fairway Lakes, Plat Book 12, Page 43, Public Records of Highlands County, Florida, Section 10, Township 35 South, Range 30 East and being more particularly described as follows:

From the Southeast corner of said Section 10 N00°16'00"E along the East line of said Section 10 a distance of 1,430.66 feet; thence N89°44'00"W a distance of 1,146.02 feet to the West right-of-way line of Duane Palmer Boulevard and the Point of Beginning of the herein described parcel; thence S87°58'09"W a distance of 96.46 feet to the point of curvature of a curve concave to the left having a radius of 1400.00 feet and a central angle of 26°00'00"; thence Westerly along said curve an arc distance of 635.30 feet; thence N28°01'51"W a distance of 230.00 feet to a point on a curve concave to the right having a radius of 1,630.00 feet and a central angle of 26°00'00"; thence Northeasterly along said curve an arc distance of 739.67 feet to the point of tangency of said curve; thence N87°58'09"E a distance of 75.00 feet to the point of curvature of a curve concave to the right having a radius of 25.00 feet and a central angle of 94°42'21"; thence Southeasterly along said curve an arc distance of 41.32 feet to the said West right-of-way line of Duane Palmer Boulevard and the point of compound curvature of a curve concave to the left having a radius of 1559.58 feet and a central angle of 07°27'44"; thence Southerly along said right-of-way line and curve an arc distance of 203.12 feet to the Point of Beginning. Contains 14.14 acres more or less.

FLORIDA PUBLIC SERVICE COMMISSION

authorizes

Utility Corporation of Florida, Inc.
pursuant to
Certificate Number 550-S

to provide wastewater service in Highlands County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-08-0646-PAA-SU	10/06/08	080079-SU	Original Certificate