

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Aqua Utilities Florida, Inc.'s Application for Approval of Transfer of Harbor Hills Utilities, L.P. Water System and Amendment of Certificate in Lake County, Florida	Docket No. <u>110019-WS</u> Filed: January 7, 2011
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**AQUA UTILITIES FLORIDA, INC.'S APPLICATION FOR APPROVAL OF TRANSFER OF HARBOR HILLS UTILITIES, L.P. WATER SYSTEM AND AMENDMENT OF CERTIFICATE IN LAKE COUNTY, FLORIDA**

Aqua Utilities Florida, Inc. ("AUF" or "Buyer"), by and through its undersigned counsel, and pursuant to Sections 367.071, Florida Statutes, and Rule 25-30.037, Florida Administrative Code, hereby files this Application for (i) approval of the transfer of the water system of Harbor Hills Utilities, L.P. ("Harbor Hills" or "Seller") to AUF, (ii) amendment of AUF's Water Certificate No. 106-W for Lake County, Florida, to include the Harbor Hills service territory and, (iii) cancellation of Harbor Hills' Certificate No. 522-W.

The Application is filed in order to consummate a transaction whereby AUF recently purchased a water system and a wastewater system owned and operated by Harbor Hills Utilities, L.P. in Lake County, Florida ("Harbor Hills Systems"). The Harbor Hills Systems have been operational and continuously providing water and wastewater service since 1989. The Commission previously issued the Harbor Hills water system Water Certificate No. 522-W. However, because the prior owners did not charge for wastewater service, the wastewater system was not subject to Commission jurisdiction. Thus, AUF has contemporaneously filed an application for an original certificate for the existing wastewater system. AUF's acquisition of the

Harbor Hills Systems is contingent upon Commission approval of this Application and the original wastewater application. In support of this Application, AUF states:

- COM \_\_\_\_\_
- APA \_\_\_\_\_
- ECR 311 \_\_\_\_\_
- GCL 1 \_\_\_\_\_
- RAD \_\_\_\_\_
- SSC \_\_\_\_\_
- ADM \_\_\_\_\_
- OPC \_\_\_\_\_
- CLK Grant \_\_\_\_\_

DOCUMENT NUMBER: 00205 JAN-7 =  
FPSC-COMMISSION CLERK

## APPLICANT INFORMATION

1. The name and address of the Buyer are:

Aqua Utilities Florida, Inc.  
510 Highway 466, Suite 204  
Lady Lake, FL 32159  
(352) 674 2860 (Telephone)  
(352) 674 2862 (Facsimile)

2. The name and address of AUF's authorized representatives are:

D. Bruce May Jr.  
Holland & Knight  
315 South Calhoun Street, Suite 600  
Tallahassee, FL 32301  
(850) 224-7000 (Telephone)  
(850) 224-8832 (Facsimile)

-and-

Kimberly A. Joyce, Esquire  
Director of Regulatory Affairs  
Aqua America, Inc.  
762 West Lancaster Avenue  
Bryn Mawr, PA 19010  
(610) 645-1077 (Telephone)  
(610) 519-0989 (Facsimile)

3. The name and address of the Seller are:

Harbor Hills Utilities, L.P.  
6538 Lake Griffin Road  
Lady Lake, FL 32159

4. The name and address of the Seller's authorized representatives are:

Michael Rich  
Adam Rich  
6538 Lake Griffin Road  
Lady Lake, FL 32159  
(352) 753-8700  
(352) 822-5558

5. AUF has been issued Water and Wastewater Certificates by the Florida Public Service Commission (“Commission”) for its operations in Alachua, Brevard, Hardee, Highlands, Sumter, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties. The Commission has issued AUF Certificate No. 106-W for its provision of water utility services in Lake County, Florida.

## APPLICATION

### FINANCIAL AND TECHNICAL INFORMATION

6. AUF is a Florida corporation authorized to do business in Florida as of July 2, 2003. The names and addresses of AUF’s corporate officers and directors are listed in **Exhibit “A”** to the Application.

7. **Exhibit “B”** to the Application is a statement indicating how this purchase is in the public interest, including a summary of AUF’s experience in water and wastewater utility operations, a showing of AUF’s financial ability to provide utility service and a statement that AUF will fulfill the commitments, obligations and representations of Harbor Hills with regard to utility matters.

8. AUF is a wholly-owned subsidiary of Aqua America, Inc. (“Aqua America”) and does not own any other water or wastewater utilities. AUF also is an affiliate of Aqua Utilities, Inc. (formerly AquaSource Utility, Inc.), which also is a wholly-owned subsidiary of Aqua America. Aqua Utilities, Inc. owns numerous water and wastewater utilities located in Florida. These utilities are listed in **Exhibit “C”** to the Application.

9. On or about March 31, 2010, AUF and Harbor Hills entered into an Asset Purchase Agreement whereby AUF agreed to purchase Seller's water production and distribution systems and wastewater collection and treatment systems in Lake County, Florida. **Exhibit “D”** to the Application is a copy of the Asset Purchase Agreement by and between Harbor Hills and AUF.

Section 367.071(1), Florida Statutes, provides that a utility may sell its land, facilities and certificates prior to Commission determination that the sale is in the public interest, if the sale is made contingent upon Commission approval. Accordingly, Section 5.6 of the Asset Purchase Agreement provides that the sale of the Harbor Hills Systems (water and wastewater) is contingent upon Commission approval. The sale of the Harbor Hills Systems to AUF will occur within forty-five (45) days from the Commission's official approval of AUF's Application and AUF's application for an original certificate for an existing wastewater system in Lake County, Florida.

10. The Asset Purchase Agreement includes definitions of the "Water System Assets" purchased by AUF, the purchase price and terms of payment, and a provision confirming that AUF is not assuming any liabilities or obligations of Harbor Hills except for the obligation to provide water service. There are no customer deposits, guaranteed revenue contracts, customer advances, debt of the utility, and leases that must be disposed of in connection with the transfer of the utility system.

11. **Exhibit "E"** to the Application is a statement regarding the disposition of any outstanding regulatory assessment fees for the Harbor Hills system.

12. **Exhibit "F"** to the Application is a statement describing AUF's financing of the sale.

13. **Exhibit "G"** to the Application is a list of any or all entities upon which AUF is relying to provide funding for the sale, and an explanation of the manner and amount of such funding.

14. **Exhibit "H"** to the Application is a detailed listing of the proposed net book value of the water system as of the date of the proposed transfer, including the Commission Order and the date of issuance establishing rate base.

15. **Exhibit "I"** to the Application is a statement confirming that AUF is not requesting an acquisition adjustment.

16. The books and records of Harbor Hills are available for inspection by the Commission. The name, address, and telephone number of the person who has possession of the books and records of Harbor Hills are as follows:

John M. Lihvarcik  
Aqua Utilities Florida, Inc.  
510 Highway 466, Suite 204  
Lady Lake, FL 32159  
(352) 674 2824 (Telephone)  
(352) 674 2862 (Facsimile)

17. **Exhibit "J"** to the Application is a statement from AUF regarding the federal income tax returns of Harbor Hills.

18. **Exhibit "K"** to the Application is a statement from AUF regarding the condition of the water system being acquired and the status of its compliance with applicable standards set by the Florida Department of Environmental Protection.

**NOTICE OF APPLICATION**

19. In accordance with Rule 25-30.030(2), Florida Administrative Code, AUF has obtained from the Commission a list of the names and addresses of the municipalities, the counties, the regional planning counsel, the Office of Public Counsel, the Commission's Office of Commission Clerk, the appropriate regional office of the Department of Environmental Protection, the appropriate water management districts, and privately-owned water and wastewater utilities that hold a certificate granted by the Commission, and that are located within the county in which the systems proposed to be transferred are located ("Notice List").

20. In accordance with Rule 25-30.030(5), Florida Administrative Code, AUF will provide notice of this Application containing the information required under Rule 25-30.030(4),

Florida Administrative Code, by regular mail to the entities contained in the Notice List within 7 days of filing this Application.

21. Pursuant to Rule 25-30.030(8), Florida Administrative Code, within 15 days of filing this Application, AUF will submit **Late-Filed Exhibit “L”** to the Application, which will include an affidavit confirming that the Notice of Application was provided as described above, along with a copy of the Notice and a copy of the Notice List obtained from the Commission.

22. In accordance with Rule 25-30.030(6), Florida Administrative Code, AUF will provide a notice by regular mail, to each customer of the system to be transferred within 7 days of filing this Application. Within 15 days of filing its Application, AUF will submit **Late-Filed Exhibit “M”** to the Application, which will include a copy of the Notice of Application provided to the customers, and an affidavit reflecting that it has provided the Notice of this Application to each customer of each system to be transferred.

23. In accordance with Rule 25-30.030(7), Florida Administrative Code, AUF will publish the Notice once in a newspaper of general circulation in the territory proposed to be transferred within 7 days of filing this Application. Within 15 days of filing this Application, AUF will submit **Late-Filed Exhibit “N”** to the Application, which will include an affidavit reflecting that the Notice has been published once in a newspaper of general circulation in each territory proposed to be transferred, along with proof of each publication.

#### **FILING FEE**

24. The application fee required by Section 367.145, Florida Statutes, and Rule 25-30.020, Florida Administrative Code, has been submitted to the Commission Clerk of Administrative Services along with the filing of this Application.

**SYSTEM INFORMATION**

25. **Exhibit "O"** to the Application shows that Harbor Hills owns the land upon which the treatment facility for the system to be transferred is located as required by Rule 25-30.037(2)(q), Florida Administrative Code.

26. **Exhibit "P"** to the Application contains sample tariff sheets for each system proposed to be transferred reflecting the change in ownership, the existing rates and charges, and the territorial descriptions of the water system.

27. **Exhibit "Q"** to the Application contains the current water certificate issued by the Commission to Harbor Hills Utility, LP, Certificate No. 522-W pursuant to Order No. PSC-94-1543-FOF-WU dated December 13, 1994.

28. As demonstrated in **Exhibit "B"** AUF has the technical and financial ability to render reasonably sufficient, adequate and efficient service to the proposed amended territory.

29. The rates for the Harbor Hills systems were previously established by the Commission in Order No. PSC-94-1543-FOF-WU. The inclusion of the proposed amended territory to AUF's Lake County service area will not impact AUF's current rates or service availability charges. AUF will provide service to the proposed amended territory by utilizing the existing Harbor Hills water plant, the permitted capacity of which is 709,000 GPD. The type of customers to be served are single family homes along with the Harbor Hills Golf Club.

30. **Exhibit "R"** shows that Harbor Hills owns the land where the water facilities are located as required by Rule 25-30.036(3)(d), Florida Administrative Code.

31. Attached hereto as **Exhibit "S"** is an accurate legal description of the water territory proposed to be added using township, range and section references as specified by Rule 25-30.030(2), Florida Administrative Code. **Exhibit "S"** also contains a map showing township,

range and section of the proposed amended territory, along with the existing utility lines and facilities.

**ANNUAL REPORTS, CERTIFICATES , AND AFFIDAVIT**

32. Attached hereto as **Exhibit “T”** is an affidavit of John M. Lihvarcik, Vice-President and Chief Operating Officer of AUF, affirming that AUF has tariffs and an annual report on file with the Commission.

33. Attached hereto as **Exhibit “U”** is a copy of Order No. PSC-06-0973-FOF-WS issued November 22, 2006 in Docket No. 060643-WS, Order Acknowledging Corporate Reorganization and Approving Name Change. This Order serves as AUF’s Amended Certificates for AUF’s water and wastewater systems that are subject to the Commission’s jurisdiction, including AUF’s Water Certificate No. 106-W in Lake County.

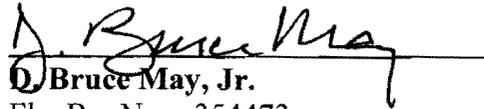
34. Attached hereto as **Exhibit “V”** is an affidavit of John M. Lihvarcik, Vice-President and Chief Operating Officer of AUF, affirming that the facts stated herein and in the attached exhibits are true and correct.

WHEREFORE, AUF requests that this Commission:

- a. Grant AUF’s Application;
- b. Approve the transfer of the Harbor Hills water system to AUF;
- c. Approve the amendment of AUF’s Water Certificate No. 106-W for Lake County, Florida to include the Harbor Hills water service territory;
- d. Cancel Harbor Hills Water Certificate No. 522-W; and
- e. Grant such other relief as is appropriate.

Respectfully submitted this 7th day of January, 2011.

**HOLLAND & KNIGHT LLP**

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

**Bruce May, Jr.**

Fla. Bar No. 354473

Holland & Knight LLP

Post Office Drawer 810

Tallahassee, Florida 32302-0810

Phone: (850) 224-7000

Fax: (850) 224-8832

E-Mail: [bruce.may@hklaw.com](mailto:bruce.may@hklaw.com)

**EXHIBIT A**  
**Rule 25-30.037(2)(d)**

**If the buyer is a corporation, list the names, titles, and addresses of corporate officers and directors.**

Director:

Nicholas DeBenedictis, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

Officers:

President – Christopher Franklin, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

Vice President – John M. Lihvarcik, 510 Highway 466, Suite 204, Lady Lake, Florida 32159

Vice President and Chief Financial Officer – David P. Smeltzer, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

Vice President and Treasurer – Roy H. Stahl, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

Secretary – Maria Gordiany, 762 West Lancaster Avenue, Bryn Mawr, PA 19010

**EXHIBIT B**  
**Rule 25-30.037(2)(j)**

**A statement indicating how the transfer is in the public interest, including a summary of the buyer's experience in water and/or wastewater utility operations, a showing of the buyer's financial ability to provide service and a statement that the buyer will fulfill the commitments, obligations and representations of the seller with regard to utility matters.**

The sale of Harbor Hills water assets to AUF is in the public interest for numerous reasons, the most important of which are as follows:

**Focus on Water Service**

AUF is a wholly owned subsidiary of Aqua America, Inc. Aqua America is based in Bryn Mawr, Pennsylvania and is one of the largest publicly traded water and wastewater utilities based in the United States. The proposed acquisition would place the water and wastewater operations of the Harbor Hills water and wastewater system in the hands of an experienced company and industry leader whose sole focus in the provision of high quality water and wastewater service at reasonable prices. The Buyer will fulfill the commitments, obligations and representations of Harbor Hills.

**Size and Financing Capability**

The Harbor Hills customers will be served by a large, fiscally sound company that has the capability to finance necessary capital additions. To illustrate, as of December 31, 2009, Aqua America had assets totaling approximately \$3.8 billion, with stockholder equity of approximately \$1.1 billion. As the Commission is well aware, the need to comply with increasingly stringent water quality and environmental standards, while rehabilitating and replacing aging infrastructure, has created substantial demands for capital investment by water and wastewater utilities. Aqua America has become a leader in the area of infrastructure replacement. This undertaking is critically important, not only to assure high quality water service but also to maintain adequate pressures for fire protection purposes. Because of its size, access to capital and recognized strength in system planning, capital budgeting and construction management, Aqua America and its subsidiaries are uniquely well-positioned to provide high quality water and wastewater service. In addition, because of its outstanding credit quality, Aqua America can access the capital markets on favorable terms.

**Economies of Scale**

As one of the largest publicly traded water and wastewater utility system based in the United States, Aqua America enjoys substantial economies of scale and scope through mass purchasing of certain goods (e.g. chemicals and equipment) and the provision of centralized service (e.g., the system-wide administration of an employee pension and benefit plan). The acquisition of the Harbor Hills Systems present a further opportunity to extend these economies to the Harbor Hills customers in such areas as accounting and record keeping, financial and regulatory reporting, customer billing and accounting and customer service.

## **EXHIBIT B**

**Page 2**

### **Commitment to Customer Service**

Aqua America is totally committed to providing its customers with the highest quality service at the lowest price. In addition, Aqua America and its subsidiaries have worked in partnership with State and local officials to address the problems faced by smaller systems that may lack the financial and/or technical resources needed to comply with evolving water quality standards. As part of the Aqua America family, the Harbor Hills Systems should be able to pursue these opportunities.

**EXHIBIT C**  
**Rule 25-30.037(2)(f)**

**List the names and locations of other water and/or wastewater utilities owned by the buyer and PSC certificate numbers, if any.**

**Aqua Utilities Florida, Inc.**

AUF is a wholly-owned subsidiary of Aqua America, Inc. AUF owns and operates the following water and wastewater system that are subject to Commission jurisdiction:

**AUF Water Systems**

**Alachua County - Certificate # 549W**

Arredondo Estates  
Arredondo Farms

**Brevard County - Certificate # 002W**

Kingswood  
Oakwood

**Desoto/Charlotte County - Certificate # 599W**

Lake Suzy

**Hardee County - Certificate # 649W**

Peace River

**Highlands County - Certificate # 422W**

Lake Josephine  
Leisure Lakes  
Sebring Lakes

**Lake County - Certificate # 106W**

Carlton Village  
East Lake Harris  
Fairways  
Fern Terrace  
Friendly Center  
Grand Terrace  
Haines Creek  
Hobby Hills  
Holiday Haven  
Imperial Mobile Terrace  
48 Estates  
Kings Cove  
Summit Chase  
Morningview

**EXHIBIT C**

**Page 2**

Palms MHP  
Picciola Island  
Piney Woods  
Quail Ridge  
Ravenswood  
Silver Lake Estate/Western Shores  
Skycrest  
Stone Mountain  
Valencia Terrace  
Venetian Village

**Marion County – Certificate #346W**  
Ocala Oaks

**Orange County – Certificate #084W**  
Tangerine

**Palm Beach County – Certificate #053W**  
Lake Osborne

**Pasco County – Certificate # 209W**  
Jasmine Lakes  
Palm Terrace  
Zephyr Shores

**Polk County – Certificate #587W**  
Breeze Hill  
Gibsonia Estates  
Lake Gibson Estates  
Orange Hill/Sugar Creek  
Rosalie Oaks  
Village Water

**Putnam County – Certificate #076W**  
Beecher's Point  
Hermits Cove  
Interlachen Lakes / Park Manor  
Palm Port  
Pomona Park  
River Grove  
Silver Lake Oaks  
St. John's Highlands  
Welaka/Saratoga Harbor  
Wootens

**EXHIBIT C**

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**Seminole County – Certificate #279W**

Chuluota  
Harmony Homes

**Sumter County – Certificate # 507W**

The Woods

**Volusia County – Certificate # 238W**

Jungle Den  
Tomoka/Twin Rivers

**Washington County – Certificate # 501W**

Sunny Hills

**AUF Wastewater Systems**

**Alachua County – Certificate # 579S**

Arredondo Farms

**DeSoto/Charlotte County – Certificate # 514S**

Lake Suzy

**Hardee County – Certificate #555S**

Peace River

**Highlands County – Certificate # 359S**

Leisure Lakes

**Lake County – Certificate # 120S**

Fairways  
Holiday Haven  
JS – Kings Cove  
JS – Summit Chase  
Morningview  
Ravenswood  
Valencia Terrace  
Venetian Village

**Lee County – Certificate # 268S**

South Seas

**EXHIBIT C**

**Page 4**

**Pasco County – Certificate # 154S**

Jasmine Lakes  
Palm Terrace  
Zephyr Shores

**Polk County – Certificate # 506S**

Lake Gibson Estates  
Village Water  
Breeze Hill

**Putnam County – Certificate # 284S**

Beecher's Point  
Park Manor  
Silver Lake Oaks

**Seminole County – Certificate # 226S**

Chuluota  
Florida Central Commerce Park

**Sumter County – Certificate # 441S**

The Woods

**Washington County – Certificate # 435S**

Sunny Hills

**Aqua Utilities, Inc.**

Aqua Utilities, Inc. (formerly AquaSource Utility, Inc.) is also a wholly-owned subsidiary of Aqua America, Inc. Aqua Utilities, Inc. owns and operates water and wastewater systems in Citrus and Sarasota Counties.

**EXHIBIT D**  
**Rule 25-30.037(2)(g)**

**A copy of the Asset Purchase Agreement by and between Harbor Hills and Aqua Utilities Florida, Inc. executed on or about March 31, 2010 is attached hereto.**

THIS ASSET PURCHASE AGREEMENT, dated as of the <sup>01<sup>st</sup></sup> ~~31<sup>st</sup>~~ day of <sup>March</sup> ~~September~~, <sup>2010</sup> ~~2009~~, by and between HARBOR HILLS UTILITIES, L.P., with an address of 6538 Lake Griffin Road, Lady Lake, Florida 32159 ("Seller"), and AQUA UTILITIES FLORIDA, INC., a Florida corporation with an address of 1100 Thomas Avenue, Leesburg, Florida 34748 ("AQUA" or "Buyer"), with reference to the following RECITALS:

### RECITALS

A. Seller owns, maintains and operates: a) a water production and distribution system; b) a wastewater collection and treatment system; and c) an irrigation storage and distribution system (collectively the "System") that provide water, wastewater and irrigation service to the residents within Lake County, Florida (the "Service Area").

B. AQUA is a public utility that furnishes water, wastewater and irrigation service to the public in various portions of the State of Florida.

C. Seller desires to sell, and AQUA desires to purchase the properties and rights of Seller owned and used in connection with its System, all upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the recitals and the covenants, representations, warranties and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

### I. SALE AND PURCHASE OF THE SELLER'S WATER SYSTEM ASSETS

Subject to the terms and conditions hereinafter set forth, AQUA shall purchase from Seller, and Seller shall sell, assign, transfer, grant, convey and deliver to AQUA at Closing (hereinafter defined), all of the System assets, properties and rights of Seller (whether tangible or intangible, real, personal or mixed) which are held, used or useful in connection with the production, treatment, distribution or collection of water, wastewater and irrigation within the Service Area (the "Assets").

The Assets are being sold in "As Is" condition and Seller makes no representations, covenants or warranties with respect to the condition of the Assets, except that the Assets are being sold free and clear of all mortgages, liens, pledges, security interest, charges, taxes, claims, restrictions and encumbrances of any nature whatsoever. This paragraph shall be construed in a manner that does not limit any other representations or warranties provided by Seller within this Agreement.

#### I.1 Assets Further Defined

The Assets shall, without limitation to the definition stated above, include the specific assets, properties and rights of Seller set forth on Schedule I.1, and the following:

- (a) all the land, buildings, pipes, pipelines, wells, treatment equipment and facilities, pumping stations, storage tanks and facilities, standpipes, fire hydrants, wastewater collection mains, pump stations, structures, irrigation service lines, improvements, fixtures, rights-of-way, rights, uses, licenses and easements owned by Seller, or in which Seller has an interest, and all hereditaments, tenements and appurtenances belonging or appertaining thereto;
- (b) all rights of Seller under any written or oral contract, easement, license, agreement,

lease, plan, instrument, registration, permit, certificate or other authorization or approval of any nature, or other document, commitment, arrangement, undertaking, practice or authorization, relating to the Assets,

- (c) all information, files, records, data, plans, contracts and recorded knowledge, including customer and supplier lists and property records, related to the utility services provided by Seller in Lake County.

## 1.2 Excluded Assets

Notwithstanding the foregoing, the Assets shall not include any of the following:

- (a) any and all customer service lines that run from outside the meter box or from the curb stop to each individual residence, commercial or industrial structure served by the Assets;
- (b) the water lines and facilities providing water to the golf course, including the portion of the Consumptive Use Permit ("CUP") for golf course irrigation as assigned by the St. John's Water Management District;
- (c) all piping and fixtures internal to each individual customer's structure;
- (d) Seller's cash and accounts receivables as of the date of Closing; and
- (e) Seller's Accounts Receivable

## 1.3 Consideration

The total purchase price ("Purchase Price") for the Assets will include: a) a total sum of up to **Six Hundred Thirty Thousand Dollars** (\$630,000.00) for the portion of the assets attributable to the water and irrigation service. Final purchase price will be determined by the establishment of the Rate Base by the FPSC during the Approval of Transfer Application; and b) the amount that the Florida Public Service Commission ("FPSC") determines to be the rate base for the assets used in connection with wastewater service. The Purchase Price shall be payable at Closing. Buyer and Seller agree that if the FPSC determines that the portion of the Purchase Price attributable to assets used in connection with water service is less than Five Hundred Thousand Dollars then either Seller or Buyer can unwind and terminate this Agreement. Prior to Closing, Aqua will perform a final due diligence of all facilities and assets. The due diligence is to ensure all assets are in the same working condition, that all permits are valid, current and that there are no compliance infractions in force at the time of the date of this final completion of this Agreement. If, after conducting the final due diligence, AQUA determines that the assets are not in the same working condition, that any permit is no longer valid or current, or that there are compliance infractions, Seller shall have 60 days to either correct the condition or reach an agreement with Aqua for a reduction to the purchase price. If Seller refuses to correct the condition or is unable to reach agreement with Aqua concerning a reduction to the Purchase Price, AQUA may elect to terminate this Agreement without penalty or to proceed to Closing.

#### 1.4 Contractual Obligations

Except as set forth on Schedule 1.4 [attach list of growth ventures], AQUA shall not assume any obligations of Seller, under any contract, agreement, commitment, lease, certificate, order, notice, permit or other instrument, whether oral, written, express or implied.

#### 1.5 Non-Assumption of Liabilities

With the exception of the assumption of contractual duties to be performed after the date of Closing under the surviving contracts listed on Schedule 1.4 attached hereto together with the ongoing obligation to provide water service to the customers of the Seller served by the Water System (the "Assumed Obligations"), all liabilities and obligations of Seller shall remain the sole responsibility of Seller, including any and all liabilities or obligations under any employee benefit plan, practice or arrangement or pension, retirement or savings plan. Except for the Assumed Obligations, AQUA shall not assume and shall not be liable for any liabilities or obligations of Seller of any nature whatsoever, whether express or implied, fixed or contingent, whatsoever.

## 2. CLOSING

Subject to the provisions of **Sections 4 and 5**, Closing hereunder (the "Closing") shall take place at the offices of AQUA located at 1100 Thomas Avenue, Leesburg, Florida, commencing at 10:00 a.m. local time, on or before a date forty-five (45) days after the receipt of final regulatory approvals, including without limitation those described in **Section 5.6** below. The date of the Closing is referred to herein as the "Closing Date". The effective time of the legal transfer hereunder shall be 12:01 a.m. on the day following the Closing Date.

### 2.1 Items to be delivered at Closing

At the Closing and subject to the terms and conditions herein contained:

- (a) Seller shall deliver to AQUA the Assets, including, without limitation, the following:
  - (i) instruments and documents of conveyance and transfer, all in form reasonably satisfactory to AQUA and its counsel, as shall be necessary and effective to transfer and assign to, and vest in, AQUA good and marketable title to the Assets and all rights to operate the water system as such is now being operated, including, but not limited to the following documents: a Deed for each parcel to be conveyed; a Bill of Sale and Assignments; an Assignment and Grant of Easement for any easement Aqua requires to utilize, maintain, repair and replace any facilities located outside of any parcels to be conveyed and/or publicly dedicated roadways; and an appropriate Sanitary Control Easement, when required, as they exist.
  - (ii) a complete and accurate list of the names and addresses of all customers of Seller, both in paper form and in electronic form on a diskette that can be downloaded to a computer, along with a billing history for each customer;
  - (iii) keys to any and all buildings and gates;

and simultaneously with such delivery, all such steps shall be taken as may be required to put AQUA in actual possession and operating control of the Assets.

- (b) Seller shall deliver to AQUA, the agreements, opinions, certificates and other documents and instruments referred to in **Section 5** hereof.
- (c) AQUA and Seller agree that final meter readings shall be conducted within seven (7) days immediately prior to Closing. These readings shall be utilized by the Seller for the purpose of issuing final bills, and shall constitute the opening readings for AQUA. AQUA shall use these readings to begin the billing cycle for its new customers following Closing, and shall not be responsible for the collection of any amounts due Seller for bills issued by Seller as a result the Seller's final meter reading. In the event that Aqua determines that payments that it has received are payments for the period of time that Seller owned the Assets, Aqua will forward these payments to Seller within a reasonable period of time. In making such determinations, among other ways to determine whether the payment received is for payments due prior to Closing, Aqua will consult with Seller on the amount of the amounts due to Seller prior to Closing and will compare these amounts due with the amount received.

## 2.2 Transfer of Utilities

Seller and AQUA will cooperate to transfer utility service, including telephone, electric and gas service providing such service to any of the Assets as of the Closing Date.

## 2.3 Further Assurances

Seller, from time to time after the Closing, at Aqua's request, and without compensation, will execute, acknowledge and deliver to AQUA such other instruments of sale, conveyance, assignment and transfer and will take such other actions and execute and deliver such other documents, certifications and further assurances as AQUA may reasonably require in order to vest in AQUA, and/or to place AQUA fully in possession of, all of the Assets.

## 3 CONDUCT OF PARTIES PENDING CLOSING

3.1 Seller agrees that, with respect to the Assets, pending the Closing and except as otherwise agreed to in writing by AQUA:

- (a) The business of Seller shall be conducted solely in the ordinary course consistent with past practice and shall maintain and service the tangible Assets in good working order such that they will be in proper working order at Closing.
- (b) Seller will use its best efforts to maintain its relations and goodwill with its suppliers, customers and any others having business relations with it.
- (c) Seller shall comply with all laws, ordinances, rules, regulations and orders applicable to it and to the conduct of its business.
- (d) Seller will promptly advise AQUA in writing of all events between the date hereof and Closing which could render any representation or warranty under the Agreement, if

restated and republished as of Closing, untrue or incorrect in any material respect.

- (e) Seller will promptly advise AQUA in writing promptly after Seller receives knowledge of the threat or commencement of any dispute, claim, action, suit, proceeding, arbitration or investigation against or involving the Assets or the sale and transfer thereof to AQUA, or of the occurrence of any event (exclusive of general economic factors affecting business in general) of a nature that is or may be materially adverse to the business, operations, properties, assets, prospects or condition (financial or otherwise) of Seller.
- (f) Seller will conduct its business in such a manner that at the Closing the representations and warranties of Seller contained in this Agreement shall be true as though such representations and warranties were made on and as of such date. Furthermore, Seller will use its best efforts to cause all of the conditions to this Agreement to be satisfied on or prior to the Closing Date.
- (g) Seller will give to AQUA free and full access to and the right to inspect, during normal business hours, all of the premises, properties, assets, records, contracts and other documents relating to its business and operations, and shall permit them to consult with the officers, employees, accountants, counsel and agents of Seller.

#### **4. CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS**

All obligations of Seller under this Agreement are subject to the fulfillment or satisfaction, or waiver by Seller, prior to or at the Closing, of each of the following conditions precedent:

##### **4.1 Closing Certificate; Performance by AQUA**

AQUA shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing; and Seller shall have been furnished with a certificate or certificates of AQUA dated the Closing Date, signed by an officer of AQUA, certifying, in such detail as Seller may reasonably request, to the fulfillment of the foregoing conditions and that all representations and warranties made by AQUA in this Agreement are true and correct as of Closing, except such as have been rendered incorrect because of events which occurred after the date hereof, as disclosed in writing by AQUA to Seller within a reasonable time after the event occurred.

##### **4.2 Litigation Affecting Closing**

On the Closing Date, no proceeding shall be pending or threatened before any court or governmental agency in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or in the consummation of the transactions contemplated hereby, and no investigation that might eventuate in any such suit, action or proceeding shall be pending or threatened.

#### **5. CONDITIONS PRECEDENT TO AQUA'S OBLIGATIONS**

All obligations of AQUA under this Agreement are conditioned upon the fulfillment or satisfaction, or waiver by AQUA, prior to or at the Closing, of each of the following conditions precedent:

5.1 Satisfaction with Operational and Real Estate Title Issues

AQUA shall be satisfied with its review of the real estate and the quality of title to be conveyed to AQUA from Seller.

5.2 Closing Certificate; Performance by Seller

Seller shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing; and AQUA shall have been furnished with a certificate or certificates of Seller dated the Closing Date, signed by the appropriate officials of Seller, certifying, in such detail as AQUA may reasonably request, to the fulfillment of the foregoing conditions and that all representations and warranties are true and correct as of Closing.

5.3 Litigation Affecting Closing

On the Closing Date, no proceeding shall be pending or threatened before any court or governmental agency in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, and no investigation that might eventuate in any such suit, action or proceeding shall be pending or threatened.

5.4 Seller Authorizations

Seller shall have furnished AQUA with certified copies of all proceedings of Seller, including a signed and certified copy of the appropriate document(s) authorizing the transactions hereby contemplated.

5.5 Governmental Approvals

AQUA shall have received all governmental approvals and authorizations needed for the transfer of the Assets, including, but not limited to, the FPSC and the St. John's Water Management District, upon terms and conditions acceptable to Aqua, to enable Aqua to assume ownership and operation of the System Assets and to provide water, wastewater and irrigation service to the public in the service territory presently being served by Seller. Buyer and Seller will use reasonable efforts to achieve any necessary approvals by the Closing Date. Such approvals specifically include, but are not limited to, an apportionment of the CUP so that Seller can continue providing irrigation to the golf course without adversely impacting Aqua's ability to maintain the levels of service provided to customers prior to Aqua's acquisition of the System as well as the expansion contemplated under Section 7.1(d) of this Agreement. Aqua may terminate this Agreement if it determines, in its sole discretion, that the apportionment assigned by the St. John's Water Management District has an adverse impact.

5.6 Regulatory Approval Contingency. The sale of assets contemplated by this Agreement is subject to and contingent upon the receipt of a favorable Florida Public Service Commission ("FPSC") staff recommendation and FPSC approval upon terms and conditions reasonably acceptable to Aqua Utilities Florida as to such recommendation and approval. As provided in Section 367.071, Florida Statutes, the parties desire to close the transaction in advance of the FPSC Staff's recommendation and the FPSC's approval. In the event that the FPSC staff and/or the FPSC determines that the sale and transfer of the Water System Assets and the Waste Water System Assets is not in the public interest and that Aqua Utilities Florida will not fulfill the commitments.

obligations, and representations of the utility, and, therefore, the FPSC denies such transfer, or in the event that the FPSC staff recommends and/or the FPSC approves the sale and transfer of the Water System Assets and the Waste Water System Assets upon terms and conditions not reasonably acceptable to Aqua Utilities Florida, then the Water System Assets and the Waste Water System Assets remain with the Seller and any and all agreements or understandings will be null and void between the Seller and Buyer. In the event Buyer chooses not to go forward with Closing after receiving FPSC approval for the operation of the wastewater system, AQUA shall not charge Seller for AQUA's costs and expenses incurred for obtaining such approval.

#### 5.7 Material Damage

The Assets shall not be, or be threatened to be, materially adversely affected by fire, explosion, earthquake, disaster, accident, cessation or interruption of utility or other services, flood, drought, lack of water supply, contamination of water supply, embargo, riot, civil disturbance, uprising, activity of armed forces or act of God or public enemy, or any other event or occurrence.

#### 5.8 Satisfaction of AQUA

All actions, proceedings, resolutions, instruments and documents required to carry out this Agreement or incidental hereto and all other related matters shall have been approved on the Closing Date by AQUA in the exercise of its reasonable judgment.

### 6. REPRESENTATIONS AND WARRANTIES OF SELLER

6.1 Seller hereby represents and warrants to AQUA as follows:

- (a) Organization. Harbor Hills Utilities, L.P., as a limited partnership, is duly organized, validly existing and in good standing under the laws of the State of Florida.
- (b) System Ownership. Seller holds the exclusive right, title, interest and power to sell the assets of Harbor Hills Utilities, L.P.
- (c) Current Operations. Seller has all requisite power and authority and all agreements, contracts, commitments, leases, certificates, licenses, permits, regulatory authorizations and other instruments required to conduct the business of the System as it has been and is now being conducted and to own and operate the System.
- (d) Legal Authority. Seller has the full power and lawful authority to transfer to AQUA the rights, title and interest in and to the System.
- (e) Due Authorization; Valid and Binding. Seller has the full power and lawful authority to execute and deliver this Agreement and all related agreements and to consummate and perform the transactions contemplated hereby and has duly and validly authorized the execution of this Agreement and all related documents and agreements by all necessary proceedings. This Agreement and all related agreements constitute the valid and binding obligation of Seller.
- (f) No Approvals or Violations. This Agreement does not require any further approvals of any other party, does not violate any law, ordinance or regulation, does not conflict with

any order or decree, and does not conflict with or result in a breach of any contract, lease or permit to which Seller is a party.

- (g) Party to Decree. Seller is not party to, or subject to the provision of, any judgment, order, writ, injunction or decree of any court or of any governmental official, agency or instrumentality relating to the System or the Assets.
- (h) List of Assets. Schedule 1.1 contains a true and complete list of the Assets.
- (i) Customer Records. The data contained in the customer records provided to AQUA is true and accurate.

6.2 Except as set forth on Schedule 6.2, Seller hereby represents and warrants to AQUA as follows:

- (a) Undisclosed Liabilities. There are no liabilities or obligations of Seller, either accrued, absolute, contingent or otherwise, relating to the Assets. For purposes of this Agreement, the term liabilities shall include, without limitation, any direct or indirect indebtedness, guaranty, endorsement, claim, loss, damage, deficiency, cost, expense, obligation or responsibility accrued, absolute, contingent or otherwise.
- (b) No Other Parties. No person other than Seller owns or has any interest in any equipment or other tangible assets or properties currently utilized or necessary to the operations or business of the Seller's Assets.
- (c) Rights to Facilities. Seller has good and valid rights to occupy and to obtain access to the areas where the distribution lines and other facilities of the Assets are located.
- (d) Compliance with Law. Seller is not in any material violation of any law, ordinance or governmental rule or regulation to which it or its business, operations, assets or properties is subject and has not failed to obtain, or to adhere to the requirements of, any certificate, license, permit or other governmental authorization necessary to the ownership of its assets and properties or to the conduct of its business.

6.3 Except as set forth in Schedule 6.3, Seller hereby represents and warrants to and with AQUA as follows with respect to compliance with environmental laws:

- (a) Compliance with Law. To the best of Seller's actual knowledge, Seller has been and is in compliance with all Environmental Laws (as hereinafter defined).
- (b) Adequacy of Permits. To the best of Seller's actual knowledge, after diligent inquiry and investigation, Seller has obtained and continues to possess all permits, licenses, approvals or other authorizations which are required under the Environmental Laws, has filed such timely and complete renewal applications as may be required prior to the Closing Date, and also has complied with all reporting and record keeping requirements under the Environmental Laws.

## 7. **REPRESENTATIONS AND WARRANTIES OF AQUA**

7.1 AQUA hereby represents and warrants to Seller as follows:

- (a) Organization. AQUA is a corporation duly organized and validly existing and in good standing under the laws of the State of Florida.
- (b) Due Authorization, Valid and Binding. AQUA has the full power and lawful authority to execute this Agreement and to consummate and perform the transactions contemplated hereby and has duly and validly authorized the execution of this Agreement by all necessary proceedings. This Agreement constitutes the valid and binding obligations of AQUA.
- (c) Financial Wherewithal. AQUA has the financial wherewithal to complete the purchase of the Assets as contemplated hereunder and upon completion of Closing, to operate and manage the Assets at, or exceeding, the level of service provided by the Seller prior to Closing.
- (d) Future Expansion. Aqua acknowledges that Seller has additional property to be developed. Aqua agrees to expand the water and wastewater Assets upon mutually agreeable terms and conditions to be negotiated at a time requested by Seller. By way of example, such terms and conditions shall include, but not be limited to, terms of Seller's costs to expand or extend the Assets, Aqua's reimbursements to be paid to Seller, Seller's contributions and responsibilities for the expansion, and a mutually agreeable to the parties when Seller's expansion is desired. Aqua does not warrant approval by governmental authorities having regulatory authority over any such expansion and any obligation hereunder is expressly conditioned upon Seller and Aqua reaching a mutually acceptable agreement and the receipt of all such approvals, which shall be pursued diligently by Aqua.

## 8. INDEMNIFICATION

### 8.1 Indemnification of Seller

For a period of one (1) year from and after the Closing, AQUA will reimburse, indemnify and hold Seller and its officials and employees harmless from and against any and all liabilities, obligations, damages, losses, actions, audits, deficiencies, claims, fines, costs and expenses, including attorney's fees and costs resulting from, relating to, or arising out of:

- (a) the provision of water service by AQUA for the period following Closing;
- (b) issues of regulatory compliance and claims by third parties for events that occur following the date of Closing that are not attributable to events that occurred prior to Closing;
- (c) the failure of AQUA to perform any of its covenants following Closing; and
- (d) the enforcement of this **Section 8.**

### 8.2 Indemnification of AQUA

From and after the Closing, Seller will reimburse, indemnify and hold AQUA and its affiliates, and their officers, directors and employees, harmless from and against any and all liabilities, obligations, damages, losses, actions, audits, deficiencies, claims, fines, costs and expenses, including attorney's fees

and costs resulting from, relating to, or arising out of:

- (a) any liabilities or obligations of Seller of any nature whatsoever except for those liabilities and obligations of Seller which AQUA specifically assumes pursuant to this Agreement;
- (b) any misrepresentation, breach of warranty or non-fulfillment of any agreement or covenant on the part of Seller under this Agreement, or from any misrepresentation in, or omission from, any Schedule or information furnished to AQUA pursuant to this Agreement or in connection with the negotiation, execution or performance of this Agreement;
- (c) the provision of water service by Seller for the period prior to the date of Closing;
- (d) issues of regulatory compliance and claims by third parties for events that are attributable to events that occurred prior to Closing;
- (e) the enforcement of this **Section 8**.

### 8.3 General

Each party shall provide the other party with reasonable notice of any claims arising under this **Section 8**. The indemnification rights of the parties under this **Section 8** are independent of and in addition to such rights and remedies as the parties may have at law or in equity or otherwise for any misrepresentation, breach of warranty, or failure to fulfill any agreement or covenant hereunder.

## 9. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

All representations, warranties and agreements made by the parties in this Agreement or in any written agreement, document, or certificate furnished hereunder or in connection with the negotiation, execution and performance of this Agreement shall survive the Closing for a period of one (1) year. Notwithstanding any investigation or audit conducted before or after the Closing Date or the decision of any party to complete the Closing, each party shall be entitled to rely upon the representations, warranties and agreements set forth herein and therein.

## 10. MISCELLANEOUS

### 10.1 Contents of Agreement, Parties in Interest, etc.

This Agreement sets forth the entire understanding of the parties hereto with respect to the transactions contemplated hereby. It shall not be amended or modified except by written instrument duly executed by each of the parties hereto.

### 10.2 Binding Effect

All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the legal representatives, successors and assigns of Seller or AQUA.

### 10.3 Notices

Any notice, request, demand, waiver, consent, approval or other communication which is required or permitted hereunder shall be in writing and shall be deemed given only if delivered personally or sent by telegram or by registered or certified mail, postage prepaid, return receipt requested, as follows:

#### **If to AQUA:**

AQUA Utilities Florida, Inc.  
P.O. Box 490310  
1100 Thomas Avenue  
Leesburg, FL 34749 (PO Box)  
Attention: President

#### **If to Seller:**

Mr. Michael Rich  
6538 Lake Griffin Road  
Lady Lake, FL 32159

or to such other address as the addressee may have specified in a written notice duly given to the sender as provided herein. Such notice, request, demand, waiver, consent, approval or other communication will be deemed to have been given as of the date so delivered, telegraphed or mailed.

### 10.5 Florida Law to Govern

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Florida, without giving effect to any conflicts of laws provisions.

### 10.6 No Benefit to Others

The representations, warranties, covenants and agreements contained in this Agreement are for the sole benefit of the parties hereto, and their legal representatives, successors and assigns, and they shall not be construed as conferring any rights on any other persons.

### 10.7 Headings, Gender, etc.

All section headings contained in this Agreement are for convenience of reference only, do not form a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context requires.

### 10.8 Exhibits and Schedules

All Exhibits, Attachments and Schedules referred to herein are intended to be and hereby are specifically made a part of this Agreement.

### 10.9 [THIS IS DUPLICATIVE OF 2.3]

10.10 Severability

Any provision of this Agreement that is invalid or unenforceable in any jurisdiction or under any circumstance shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction or under any circumstance shall not invalidate or render unenforceable such provision in any other jurisdiction or under any other circumstance, unless, in either event, the involved or unenforceable provision causes this Agreement to fail of its essential purpose.

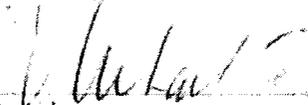
10.11 Counterparts

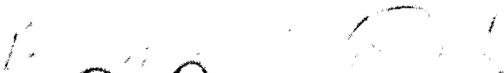
This Agreement may be executed in any number of counterparts and any signatory hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. This Agreement shall become binding when one or more counterparts taken together shall have been executed and delivered by all signatories. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

Agreement on the date first written.

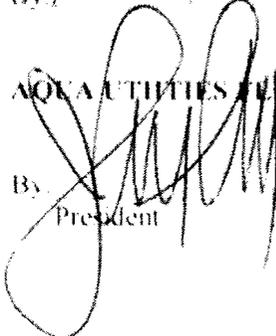
**SELLER:**

**HARBOR HILLS UTILITIES, INC.**

By:   
President

By: 

**AQUA UTILITIES FLORIDA, INC.**

By:   
President

**EXHIBIT E**  
**Rule 25-30.037(2)(r)**

**A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.**

There are no outstanding regulatory assessment fees, fines or refunds owed.

**EXHIBIT F**  
**Rule 25-30.037(2)(i)**

**A statement describing the financing of the purchase.**

The purchase of Harbor Hills water system was financed through the use of short-term funds from AUF's parent, Aqua America, Inc.

**EXHIBIT G**  
**Rule 25-30.037(2)(k)**

**A list of all entities upon which the applicant is relying to provide funding to the buyer, and an explanation of the manner and amount of such funding, which shall include their financial statements and copies of any financial agreements with the utility. This requirement shall not apply to any person or entity holding less than 10 percent of ownership interest in the utility.**

The transaction will be funded by the parent, Aqua America, with short term debt. The amount of funding for the transaction will be \$630,000, or the amount is established as net rate base by the Commission. The parent's financial statement is available at [www.aquaamerica.com](http://www.aquaamerica.com)

**EXHIBIT H**  
**Rule 25-30.037 (2)(l)**

**The proposed net book value of the system as of the date of the proposed transfer. If rate base (or net book value) has been established previously by this Commission, state the Order No. and date issued. Identify all adjustment made to update this rate base (or net book value) to the date of the proposed transfer.**

Exhibit H (attached) shows the proposed net book value of the water system. The most recent Commission order establishing rate base is Order No. PSC-94-1543-FOF-WU, dated December 13, 1994.

HARBOR HILLS UTILITIES, L.P.  
 DEVELOPMENT OF WATER PLANT AND DEPRECIATION  
 AS OF 6/1/94, FROM TRANSFER ORDER NO. PSC-94-1543-FOF-WU, AND  
 INCORPORATION OF PLANT ADDITIONS SINCE TRANSFER, THROUGH 12/30/2009

NARUC Acct.	Description	Water Plant in Service as of 6/1/94	Accum. Depr. as of 6/1/94	Use thru 12/99 Class C Depr. Life, yrs	Class A/B Depr. Life, yrs	Plant Additions / Retirements				
						1994	1995	1996	1997	1998
303.2	Land & Land Rights	12,500.00								
304.2	Structures & Improvements	0.00	0	28	33	1,261.40	567.50			
307.2	Wells and Springs	123,175.58	23,834.90	27	30					
309.2	Supply Mains	4,565.00	425.91	32	35					
310.2	Power Generation Equipment	100.00	17.16	17	20					
311.2	Pumping Equipment	151,665.23	42,565.04	17	20	6,453.50		1,800.00	1,485.68	3,581.63
320.3	Water Treatment Equipment	13,405.00	3,836.64	17	22		5,575.98			2,867.38
330.4	Dist. Reservoirs & Standpipes	68,903.68	9,162.36	33	37	29,971.00				
331.4	Trans. & Distribution Mains	358,719.72	44,678.66	38	43			75,379.25		6,111.87
333.4	Services	32,535.00	4,570.39	35	40			14,040.00		
334.4	Meters & Meter Installations	8,121.90	1,393.46	17	20	2,249.39	88.47	1,749.31	1,365.62	2,372.46
335.4	Hydrants	58,687.00	6,849.26	40	45			5,800.00		
336.4	Backflow Prevention Devices	0.00	0.00	17	20	3,916.86				
341.5	Transportation Equipment	0.00	0.00	6	6				10,293.09	
345.5	Power Operated Equipment	966.00	378.35	10	12					
	<b>Total</b>	<b>833,344.11</b>	<b>137,712.13</b>			<b>43,852.15</b>	<b>6,231.95</b>	<b>98,768.56</b>	<b>13,144.39</b>	<b>14,933.34</b>

Source: PSC Audit Workpaper 16, 22

NARUC Acct.	Description	Water Plant in Service as of 6/1/94	Accum. Depr. as of 6/1/94	Use thru 12/99 Class C Depr. Life, yrs	Class A/B Depr. Life, yrs	Total Plant				
						1994	1995	1996	1997	1998
						303.2	Land & Land Rights	12,500.00		
304.2	Structures & Improvements	0.00	0	28	33	1,261.40	1,828.90	1,828.90	1,828.90	1,828.90
307.2	Wells and Springs	123,175.58	23,834.90	27	30	123,175.58	123,175.58	123,175.58	123,175.58	123,175.58
309.2	Supply Mains	4,565.00	425.91	32	35	4,565.00	4,565.00	4,565.00	4,565.00	4,565.00
310.2	Power Generation Equipment	100.00	17.16	17	20	100.00	100.00	100.00	100.00	100.00
311.2	Pumping Equipment	151,665.23	42,565.04	17	20	158,118.73	158,118.73	159,918.73	161,404.41	164,986.04
320.3	Water Treatment Equipment	13,405.00	3,836.64	17	22	13,405.00	18,980.98	18,980.98	18,980.98	21,848.36
330.4	Dist. Reservoirs & Standpipes	68,903.68	9,162.36	33	37	98,874.68	98,874.68	98,874.68	98,874.68	98,874.68
331.4	Trans. & Distribution Mains	358,719.72	44,678.66	38	43	358,719.72	358,719.72	434,098.97	434,098.97	440,210.84
333.4	Services	32,535.00	4,570.39	35	40	32,535.00	32,535.00	46,575.00	46,575.00	46,575.00
334.4	Meters & Meter Installations	8,121.90	1,393.46	17	20	10,371.29	10,459.76	12,209.07	13,574.69	15,947.15
335.4	Hydrants	58,687.00	6,849.26	40	45	58,687.00	58,687.00	64,487.00	64,487.00	64,487.00
336.4	Backflow Prevention Devices	0.00	0.00	17	20	3,916.86	3,916.86	3,916.86	3,916.86	3,916.86
341.5	Transportation Equipment	0.00	0.00	6	6	0.00	0.00	0.00	10,293.09	10,293.09
345.5	Power Operated Equipment	966.00	378.35	10	12	966.00	966.00	966.00	966.00	966.00
	<b>Total</b>	<b>833,344.11</b>	<b>137,712.13</b>			<b>877,196.26</b>	<b>883,428.21</b>	<b>982,196.77</b>	<b>995,341.16</b>	<b>1,010,274.50</b>

HARBOR HILLS UTILITIES, L.P.  
 DEVELOPMENT OF WATER PLANT AND DEPRECIATION  
 AS OF 6/1/94, FROM TRANSFER ORDER NO. PSC-94-1543-FOF-WU, AND  
 INCORPORATION OF PLANT ADDITIONS SINCE TRANSFER, THROUGH 12/31/09

NARUC Acct.	Description	Plant in Service as of 6/1/94	Accum. Depr. as of 6/1/94	Use thru 12/99 Class C Depr. Life, yrs	Class A/B Depr. Life, yrs	Accumulated Depreciation				
						1994	1995	1996	1997	1998
303.2	Land & Land Rights	12,500.00				0.00	0.00	0.00	0.00	0.00
304.2	Structures & Improvements	0.00	0	28	33	22.53	77.71	143.03	208.34	273.66
307.2	Wells and Springs	123,175.58	23,834.90	27	30	28,396.96	32,959.02	37,521.08	42,083.13	46,645.19
309.2	Supply Mains	4,565.00	425.91	32	35	568.57	711.22	853.88	996.54	1,139.19
310.2	Power Generation Equipment	100.00	17.16	17	20	23.04	28.92	34.81	40.69	46.57
311.2	Pumping Equipment	151,665.23	42,565.04	17	20	51,676.33	60,977.43	70,331.48	79,782.16	89,381.88
320.3	Water Treatment Equipment	13,405.00	3,836.64	17	22	4,625.17	5,577.70	6,694.23	7,810.75	9,011.62
330.4	Dist. Reservoirs & Standpipes	68,903.68	9,162.36	33	37	11,704.46	14,700.66	17,696.86	20,693.06	23,689.27
331.4	Trans. & Distribution Mains	358,719.72	44,678.66	38	43	54,118.65	63,558.65	73,990.47	85,414.13	96,918.20
333.4	Services	32,535.00	4,570.39	35	40	5,499.96	6,429.53	7,559.68	8,890.39	10,221.10
334.4	Meters & Meter Installations	8,121.90	1,393.46	17	20	1,937.38	2,550.06	3,216.79	3,975.13	4,843.42
335.4	Hydrants	58,687.00	6,849.26	40	45	8,316.44	9,783.61	11,323.29	12,935.46	14,547.64
336.4	Backflow Prevention Devices	0.00	0.00	17	20	115.20	345.61	576.01	806.41	1,036.82
341.5	Transportation Equipment	0.00	0.00	6	6	0.00	0.00	0.00	857.76	2,573.27
345.5	Power Operated Equipment	966.00	378.35	10	12	474.95	571.55	668.15	764.75	861.35
	<b>Total</b>	<b>833,344.11</b>	<b>137,712.13</b>			<b>167,479.63</b>	<b>198,271.66</b>	<b>230,609.73</b>	<b>265,258.71</b>	<b>301,189.18</b>

Source: PSC Audit Workpaper 16, 22

NARUC Acct.	Description	Plant in Service as of 6/1/94	Accum. Depr. as of 6/1/94	Use thru 12/99 Class C Depr. Life, yrs	Class A/B Depr. Life, yrs	Annual Depreciation Expense				
						7 mos '94	1995	1996	1997	1998
303.2	Land & Land Rights	12,500.00				0.00	0.00	0.00	0.00	0.00
304.2	Structures & Improvements	0.00	0	28	33	22.53	55.18	65.32	65.32	65.32
307.2	Wells and Springs	123,175.58	23,834.90	27	30	4,562.06	4,562.06	4,562.06	4,562.06	4,562.06
309.2	Supply Mains	4,565.00	425.91	32	35	142.66	142.66	142.66	142.66	142.66
310.2	Power Generation Equipment	100.00	17.16	17	20	5.88	5.88	5.88	5.88	5.88
311.2	Pumping Equipment	151,665.23	42,565.04	17	20	9,111.29	9,301.10	9,354.04	9,450.68	9,599.72
320.3	Water Treatment Equipment	13,405.00	3,836.64	17	22	788.53	952.53	1,116.53	1,116.53	1,200.86
330.4	Dist. Reservoirs & Standpipes	68,903.68	9,162.36	33	37	2,542.10	2,996.20	2,996.20	2,996.20	2,996.20
331.4	Trans. & Distribution Mains	358,719.72	44,678.66	38	43	9,439.99	9,439.99	10,431.82	11,423.66	11,504.08
333.4	Services	32,535.00	4,570.39	35	40	929.57	929.57	1,130.14	1,330.71	1,330.71
334.4	Meters & Meter Installations	8,121.90	1,393.46	17	20	543.92	612.68	666.73	758.35	868.29
335.4	Hydrants	58,687.00	6,849.26	40	45	1,467.18	1,467.18	1,539.68	1,612.18	1,612.18
336.4	Backflow Prevention Devices	0.00	0.00	17	20	115.20	230.40	230.40	230.40	230.40
341.5	Transportation Equipment	0.00	0.00	6	6	0.00	0.00	0.00	857.76	1,715.52
345.5	Power Operated Equipment	966.00	378.35	10	12	96.60	96.60	96.60	96.60	96.60
	Total	833,344.11	137,712.13			29,767.50	30,792.03	32,338.07	34,648.98	35,930.47

HARBOR HILLS UTILITIES, L.P.  
 DEVELOPMENT OF WATER CIAC AND AMORTIZATION  
 AS OF 6/1/94, FROM TRANSFER ORDER NO. PSC-94-1543-FOF-WU, AND  
 INCORPORATION OF ADDITIONS SINCE TRANSFER, THROUGH 12/31/09

Workpaper No. 4

NARUC Acct.		6/1/94	1994	1995	1996	1997	1998	1999	2000
271.10	CIAC Additions		7,240.00	11,765.00	29,865.00	26,245.00	37,105.00	31,675.00	39,820.00
271.10	CIAC Balance	333,028.00	340,268.00	352,033.00	381,898.00	408,143.00	445,248.00	476,923.00	516,743.00
	Average CIAC Balance		336,648.00	346,150.50	366,965.50	395,020.50	426,695.50	461,085.50	496,833.00
403.90	Amortization Expense		11,716.96	12,107.84	12,721.69	13,842.52	15,288.44	16,397.85	15,398.13
272.10	Accum. Amort. CIAC	42,260.00	53,976.96	66,084.80	78,806.49	92,649.02	107,937.46	124,335.31	139,733.45

Calculation of CIAC Amortization Rate

Year End Plant Balance	833,344.11	877,196.26	883,428.21	982,196.77	995,341.16	1,010,274.50	1,111,813.29	1,125,667.44
Average Plant Balance		855,270.19	880,312.24	932,812.49	988,768.97	1,002,807.83	1,061,043.90	1,118,740.37
Depreciation Expense		29,767	30,792	32,338	34,649	35,930	37,735	34,673
CIAC Amort Rate = Avg. Depr. Rate		3.48%	3.50%	3.47%	3.50%	3.58%	3.56%	3.10%

HARBOR HILLS UTILITIES, L.P.  
 DEVELOPMENT OF WATER PLANT AND DE  
 AS OF 6/1/94, FROM TRANSFER ORDER NC  
 INCORPORATION OF PLANT ADDITIONS SII

NARUC Acct.	Description	Plant Additions / Retirements								
		1999	2000	2001	2002	2003	2004	2005	2006	2007
303.2	Land & Land Rights									
304.2	Structures & Improvements									2,590.00
307.2	Wells and Springs		7,246.90						2,294.00	
309.2	Supply Mains									
310.2	Power Generation Equipment	587.43								
311.2	Pumping Equipment		3,384.00		6,996.24		9,329.90		4,289.58	
320.3	Water Treatment Equipment	4,561.75		1,190.30		786.32	908.43		3,913.90	
330.4	Dist. Reservoirs & Standpipes								5,385.25	
331.4	Trans. & Distribution Mains	<b>78,946.12</b>					33,465.00	139,463.50		
333.4	Services	<b>6,288.51</b>					3,227.43	39,490.00	900.00	
334.4	Meters & Meter Installations	2,642.61	3,223.25	1,416.19	1,215.14	1,443.56	2,484.14	6,331.67	8,162.95	-5,718.21
335.4	Hydrants	<b>8,512.37</b>					2,230.00	22,250.00		6,407.50
336.4	Backflow Prevention Devices			589.52	607.38	704.93	427.58	2,905.72	2,997.37	1,287.59
341.5	Transportation Equipment						-10,293.09			13,847.11
345.5	Power Operated Equipment									
	<b>Total</b>	<b>101,538.79</b>	<b>13,854.15</b>	<b>3,196.01</b>	<b>8,818.76</b>	<b>2,934.81</b>	<b>41,779.39</b>	<b>210,440.89</b>	<b>27,943.05</b>	<b>18,413.99</b>

Source: PSC Audit Workpaper 16,

SUNSTATE METER	METERS			02/24/2000	64.31	12/31/2007	64.31
U.S. FILTER	METERS			02/24/2000	34.24	12/31/2007	34.24
U.S. FILTER	METERS			04/26/2000	410.88		
U.S. FILTER	METERS			06/16/2000	410.88		
U.S. FILTER	METERS			09/29/2000	709.55		
U.S. FILTER	METERS			11/10/2000	599.82		
U.S. FILTER	METERS			11/22/2000	462.24		
U.S. FILTER	CHECK VALVE			12/22/2000	188.93	12/31/2007	188.93
U.S. FILTER	METER			02/08/2001	73.83	12/31/2007	73.83
U.S. FILTER	METER BOXES			02/23/2001	109.73	12/31/2007	109.73
U.S. FILTER	METERS			05/31/2001	410.88		
U.S. FILTER	METERS			06/30/2001	410.87		
U.S. FILTER	METERS			11/16/2001	410.88		
U.S. FILTER	METERS			02/08/2002	410.87		
U.S. FILTER	METERS			03/12/2002	80.25	12/31/2007	80.25
U.S. FILTER	METERS			04/18/2002	196.51	12/31/2007	196.51
U.S. FILTER	METERS			04/23/2002	116.63	12/31/2007	116.63
U.S. FILTER	J/E	CORRECTION PER PSC AUDIT		04/29/2002	4,205.04	12/31/2007	4,205.04
U.S. FILTER	METERS			07/18/2002	410.88		
NATIONAL WATERWORKS	METERS			01/29/2003	410.88		
NATIONAL WATERWORKS	METERS			06/27/2003	410.88		
NATIONAL WATERWORKS	METERS			07/31/2003	80.25	12/31/2007	80.25
NATIONAL WATERWORKS	METERS			10/10/2003	541.55		
NATIONAL WATERWORKS	METERS			01/29/2004	218.28		
NATIONAL WATERWORKS	METERS			01/31/2004	218.28		
NATIONAL WATERWORKS	METERS			05/28/2004	629.27		
NATIONAL WATERWORKS	METERS			07/31/2004	372.36		
NATIONAL WATERWORKS	METERS			08/27/2004	635.07		
NATIONAL WATERWORKS	METERS			11/24/2004	410.88		
NATIONAL WATERWORKS	METERS			01/28/2005	138.89	12/31/2007	138.89
NATIONAL WATERWORKS	METERS			02/11/2005	436.56		
NATIONAL WATERWORKS	METERS			02/11/2005	156.65	12/31/2007	156.65
NATIONAL WATERWORKS	METERS			03/28/2005	436.56		
NATIONAL WATERWORKS	METERS			04/30/2005	440.20		
NATIONAL WATERWORKS	METERS			05/23/2005	820.05		
NATIONAL WATERWORKS	METERS			06/20/2005	436.56		
NATIONAL WATERWORKS	METERS			06/30/2005	873.12		
NATIONAL WATERWORKS	METERS			07/15/2005	436.56		
NATIONAL WATERWORKS	METERS			08/19/2005	422.65		
NATIONAL WATERWORKS	METERS			09/28/2005	924.48		
NATIONAL WATERWORKS	METERS			10/07/2005	116.63	12/31/2007	116.63
NATIONAL WATERWORKS	METERS			11/30/2005	534.40		
NATIONAL WATERWORKS	METER BOXES			12/23/2005	158.36	12/31/2007	158.36
NATIONAL WATERWORKS	METERS			01/31/2006	801.80		
NATIONAL WATERWORKS	METERS			03/24/2006	1,197.50		
NATIONAL WATERWORKS	METER BOXES			03/24/2006	189.50	12/31/2007	189.50
NATIONAL WATERWORKS	METERS			05/31/2006	881.85		
NATIONAL WATERWORKS	METER LIDS			06/22/2006	82.74	12/31/2007	82.74
NATIONAL WATERWORKS	METER LIDS			07/25/2006	82.74	12/31/2007	82.74
NATIONAL WATERWORKS	METERS			08/18/2006	134.79	12/31/2007	134.79
NATIONAL WATERWORKS	METERS			08/31/2006	534.40		
NATIONAL WATERWORKS	METER BOX			09/29/2006	159.70	12/31/2007	159.70
HD SUPPLY WATERWORKS	METERS			10/06/2006	801.60		
HD SUPPLY WATERWORKS	METER BOX			10/20/2006	1,964.52		
HD SUPPLY WATERWORKS	METERS			11/27/2006	134.51	12/31/2007	134.51
HD SUPPLY WATERWORKS	METERS			12/22/2007	1,197.50		
HD SUPPLY WATERWORKS	METERS			03/31/2007	229.40		
HD SUPPLY WATERWORKS	METERS			03/15/2007	801.60		
HD SUPPLY WATERWORKS	METERS			05/11/2007	1,068.80		
HD SUPPLY WATERWORKS	METERS			09/21/2007	302.51		
HD SUPPLY WATERWORKS	METER BOXES			09/21/2007	205.98		
HD SUPPLY WATERWORKS	METER EXTENSIONS			09/27/2007	116.42	12/31/2007	116.42
HD SUPPLY WATERWORKS	METERS			10/31/2007	214.43		
HD SUPPLY WATERWORKS	METER BOXES			11/16/2007	234.55		
J/E	REPLACED METERS (8891.90)			12/31/2007			
HD SUPPLY WATERWORKS	METERS			01/31/2008	605.02		
J/E	WILEY AJE #5			ADJUST WRITE-OFFS TO ACTUAL (85.96)			
HD SUPPLY WATERWORKS	METERS			08/27/2008	623.13		
HD WATERWORKS SUPPLY	1" METERS	3	114.10	02/09/2010	342.30		
HD WATERWORKS SUPPLY	1 1/2" METER	1	245.25	02/09/2010	245.25		
HD WATERWORKS SUPPLY	1" METERS	2	114.10	03/04/2010	228.20		
HD WATERWORKS SUPPLY	5/8" METERS	6	53.48	03/31/2010	320.87		
				TOTALS	48,405.12	9,750.31	38,654.81

1233540 HYDRANTS							
<u>TRANSMISSION &amp; DISTRIBUTION PLANT</u>							
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	58,687.00			
J/E	H.H. DEVELOPMENT	GROVE/PINES/LAKEVIEW	04/30/2005	16,542.37			
J/E	H.H. DEVELOPMENT	LAKEVIEW WATER SERVICE	06/30/2005	22,250.00			
	WATER WIZARD	HYDRANT	10/14/2007	1,850.00			
	WATER WIZARD	HYDRANT	12/21/2007	1,950.00			
	WATER WIZARD	HYDRANT	12/21/2007	2,607.50			
	WATER WIZARD	HYDRANT	04/25/2008	2,235.00			
	H.H. DEVELOPMENT (CIRACC HYDRANTS - BELLA VISTA		05/29/2008	17,815.00			
	H.H. DEVELOPMENT (CIRACC HYDRANTS - BELLA VISTA		05/29/2008	15,270.00			
		TOTALS		139,206.87		0.00	139,206.87
1233640 BACKFLOW PREVENTION DEVICES							
<u>TRANSMISSION &amp; DISTRIBUTION PLANT</u>							
	U.S. FILTER	BACKFLOW VALVES	05/31/2001	196.51			
	U.S. FILTER	BACKFLOW VALVES	06/30/2001	196.50			
	U.S. FILTER	BACKFLOW VALVES	11/16/2001	196.51			
	U.S. FILTER	BACKFLOWS	02/08/2002	196.50			
	U.S. FILTER	BACKFLOWS	04/18/2002	410.88			
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	3,916.86			
	NATIONAL WATERWORKS	BACK FLOWS	01/29/2003	196.49			
	NATIONAL WATERWORKS	BACK FLOWS	07/31/2003	305.07			
	NATIONAL WATERWORKS	BACK FLOWS	10/10/2003	203.37			
	NATIONAL WATERWORKS	BACKFLOWS	01/29/2004	203.39			
	NATIONAL WATERWORKS	BACKFLOWS	11/24/2004	224.19			
	NATIONAL WATERWORKS	BACKFLOWS	02/11/2005	224.19			
	NATIONAL WATERWORKS	BACKFLOWS	03/28/2005	235.49			
	NATIONAL WATERWORKS	BACKFLOWS	06/20/2005	235.49			
	NATIONAL WATERWORKS	BACKFLOWS	06/30/2005	706.46			
	NATIONAL WATERWORKS	BACKFLOWS	07/15/2005	235.49			
	NATIONAL WATERWORKS	BACKFLOWS	09/28/2005	741.9			
	NATIONAL WATERWORKS	BACKFLOWS	11/30/2005	526.7			
	NATIONAL WATERWORKS	BACKFLOWS	01/31/2006	494.60			
	NATIONAL WATERWORKS	BACKFLOWS	03/24/2006	524.04			
	NATIONAL WATERWORKS	BACKFLOWS	05/31/2006	247.30			
	NATIONAL WATERWORKS	BACKFLOWS	08/31/2006	741.90			
	HD SUPPLY WATERWORKS	BACKFLOWS	10/06/2006	494.76			
	HD SUPPLY WATERWORKS	BACKFLOWS	12/22/2007	494.77			
	HD SUPPLY WATERWORKS	BACKFLOWS	03/15/2007	618.49			
	HD SUPPLY WATERWORKS	BACKFLOWS	05/11/2007	335.55			
	HD SUPPLY WATERWORKS	BACKFLOWS	09/21/2007	335.55			
	HD SUPPLY WATERWORKS	BACKFLOWS	01/31/2008	335.55			
	HD SUPPLY WATERWORKS	BACKFLOWS	08/22/2008	369.02			
	HD WATERWORKS SUPPLY	BACKFLOW	03/04/2010	89.88			
		2	44.94				
		TOTALS		14,231.40		0.00	14,231.40
1234050 OFFICE FURNITURE & EQUIPMENT							
<u>GENERAL PLANT</u>							
	J/E	FROM ORIGINAL PURCHASE	05/31/1995	1,440,000.00			
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	-1,440,000.00			
		TOTALS		0.00		0.00	0.00
1234150 TRANSPORTATION EQUIPMENT							
<u>GENERAL PLANT</u>							
	FORD CREDIT	1997 FORD RANGER	12/31/1997	10,293.09	01/01/2004	-10,293.09	48,280.09
	FORD CREDIT	2007 FORD RANGER	05/31/2007	13,605.24			
	FORD CREDIT	2007 FORD RANGER - ADJ	06/30/2007	241.97			
		TOTALS		24,140.20		-10,293.09	13,847.11
1234550 POWER OPERATED EQUIPMENT							
<u>GENERAL PLANT</u>							
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	966.00			
	J/E	ASSET FULLY DEPRECIATED	12/31/2006	-966.00			
		TOTALS		0.00		0.00	0.00
1234850 OTHER TANGIBLE PLANT							
<u>GENERAL PLANT</u>							
	GENERAL UTILITIES	CHLORINE REGULATOR	10/31/2001	1,190.30			
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	-1,190.30			
		TOTALS		0.00		0.00	0.00
							\$1,737,197.57

NARUC Acct.	Description	Total Plant								
		1999	2000	2001	2002	2003	2004	2005	2006	2007
303.2	Land & Land Rights	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00
304.2	Structures & Improvements	1,828.90	1,828.90	1,828.90	1,828.90	1,828.90	1,828.90	1,828.90	1,828.90	4,418.90
307.2	Wells and Springs	123,175.58	130,422.48	130,422.48	130,422.48	130,422.48	130,422.48	130,422.48	132,716.48	132,716.48
309.2	Supply Mains	4,565.00	4,565.00	4,565.00	4,565.00	4,565.00	4,565.00	4,565.00	4,565.00	4,565.00
310.2	Power Generation Equipment	687.43	687.43	687.43	687.43	687.43	687.43	687.43	687.43	687.43
311.2	Pumping Equipment	164,986.04	168,370.04	168,370.04	175,366.28	175,366.28	184,696.18	184,696.18	188,985.76	188,985.76
320.3	Water Treatment Equipment	26,410.11	26,410.11	27,600.41	27,600.41	28,386.73	29,295.16	29,295.16	33,209.06	33,209.06
330.4	Dist. Reservoirs & Standpipes	98,874.68	98,874.68	98,874.68	98,874.68	98,874.68	98,874.68	98,874.68	104,259.93	104,259.93
331.4	Trans. & Distribution Mains	519,156.96	519,156.96	519,156.96	519,156.96	519,156.96	552,621.96	692,085.46	692,085.46	692,085.46
333.4	Services	52,863.51	52,863.51	52,863.51	52,863.51	52,863.51	56,090.94	95,580.94	96,480.94	96,480.94
334.4	Meters & Meter Installations	18,589.76	21,813.01	23,229.20	24,444.34	25,887.90	28,372.04	34,703.71	42,866.66	37,148.45
335.4	Hydrants	72,999.37	72,999.37	72,999.37	72,999.37	72,999.37	75,229.37	97,479.37	97,479.37	103,886.87
336.4	Backflow Prevention Devices	3,916.86	3,916.86	4,506.38	5,113.76	5,818.69	6,246.27	9,151.99	12,149.36	13,436.95
341.5	Transportation Equipment	10,293.09	10,293.09	10,293.09	10,293.09	10,293.09	0.00	0.00	0.00	13,847.11
345.5	Power Operated Equipment	966.00	966.00	966.00	966.00	966.00	966.00	966.00	0.00	0.00
	<b>Total</b>	<b>1,111,813.29</b>	<b>1,125,667.44</b>	<b>1,128,863.45</b>	<b>1,137,682.21</b>	<b>1,140,617.02</b>	<b>1,182,396.41</b>	<b>1,392,837.30</b>	<b>1,419,814.35</b>	<b>1,438,228.34</b>

HARBOR HILLS UTILITIES, L.P.  
 DEVELOPMENT OF WATER PLANT AND DE  
 AS OF 6/1/94, FROM TRANSFER ORDER NC  
 INCORPORATION OF PLANT ADDITIONS SII

Workpaper No. 3

NARUC Acct.	Description	Accumulated Depreciation								
		1999	2000	2001	2002	2003	2004	2005	2006	2007
303.2	Land & Land Rights	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
304.2	Structures & Improvements	338.98	394.40	449.82	505.24	560.67	616.09	671.51	726.93	821.59
307.2	Wells and Springs	51,207.25	55,433.89	59,781.30	64,128.72	68,476.13	72,823.55	77,170.97	81,556.61	85,980.50
309.2	Supply Mains	1,281.85	1,412.28	1,542.70	1,673.13	1,803.56	1,933.99	2,064.42	2,194.85	2,325.28
310.2	Power Generation Equipment	69.73	104.10	138.47	172.85	207.22	241.59	275.96	310.33	344.70
311.2	Pumping Equipment	99,086.94	107,420.84	115,839.34	124,432.75	133,201.06	142,202.63	151,437.44	160,779.48	170,228.77
320.3	Water Treatment Equipment	10,430.98	11,631.44	12,858.96	14,113.52	15,385.95	16,696.91	18,028.51	19,449.06	20,958.56
330.4	Dist. Reservoirs & Standpipes	26,685.47	29,357.76	32,030.05	34,702.33	37,374.62	40,046.91	42,719.20	45,464.26	48,282.10
331.4	Trans. & Distribution Mains	109,541.46	121,614.88	133,688.30	145,761.72	157,835.13	170,297.68	184,771.02	200,866.03	216,961.04
333.4	Services	11,641.65	12,963.24	14,284.83	15,606.42	16,928.01	18,289.94	20,185.83	22,586.61	24,998.63
334.4	Meters & Meter Installations	5,859.21	6,869.28	7,995.34	9,187.18	10,445.48	11,801.98	13,378.87	15,318.13	8,426.61
335.4	Hydrants	16,266.21	17,888.42	19,510.63	21,132.84	22,755.05	24,402.03	26,321.02	28,487.23	30,724.63
336.4	Backflow Prevention Devices	1,267.22	1,463.06	1,673.64	1,914.15	2,187.46	2,489.08	2,874.04	3,406.57	4,046.23
341.5	Transportation Equipment	4,288.79	6,004.30	7,719.82	9,435.33	11,150.85	0.00	0.00	0.00	1,153.93
345.5	Power Operated Equipment	957.95	1,038.45	1,118.95	1,199.45	1,279.95	1,360.45	1,440.95	0.00	0.00
	<b>Total</b>	<b>338,923.70</b>	<b>373,596.35</b>	<b>408,632.16</b>	<b>443,965.62</b>	<b>479,591.15</b>	<b>503,202.82</b>	<b>541,339.73</b>	<b>581,146.10</b>	<b>615,252.57</b>

Source: PSC Audit Workpaper 16,

NARUC Acct.	Description	Annual Depreciation Expense								
		1999	2000	2001	2002	2003	2004	2005	2006	2007
303.2	Land & Land Rights	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
304.2	Structures & Improvements	65.32	55.42	55.42	55.42	55.42	55.42	55.42	55.42	94.66
307.2	Wells and Springs	4,562.06	4,226.63	4,347.42	4,347.42	4,347.42	4,347.42	4,347.42	4,385.65	4,423.88
309.2	Supply Mains	142.66	130.43	130.43	130.43	130.43	130.43	130.43	130.43	130.43
310.2	Power Generation Equipment	23.16	34.37	34.37	34.37	34.37	34.37	34.37	34.37	34.37
311.2	Pumping Equipment	9,705.06	8,333.90	8,418.50	8,593.41	8,768.31	9,001.56	9,234.81	9,342.05	9,449.29
320.3	Water Treatment Equipment	1,419.37	1,200.46	1,227.51	1,254.56	1,272.44	1,310.95	1,331.60	1,420.55	1,509.50
330.4	Dist. Reservoirs & Standpipes	2,996.20	2,672.29	2,672.29	2,672.29	2,672.29	2,672.29	2,672.29	2,745.06	2,817.84
331.4	Trans. & Distribution Mains	12,623.26	12,073.42	12,073.42	12,073.42	12,073.42	12,462.55	14,473.34	16,095.01	16,095.01
333.4	Services	1,420.55	1,321.59	1,321.59	1,321.59	1,321.59	1,361.93	1,895.90	2,400.77	2,412.02
334.4	Meters & Meter Installations	1,015.79	1,010.07	1,126.06	1,191.84	1,258.31	1,356.50	1,576.89	1,939.26	2,000.38
335.4	Hydrants	1,718.58	1,622.21	1,622.21	1,622.21	1,622.21	1,646.99	1,918.99	2,166.21	2,237.40
336.4	Backflow Prevention Devices	230.40	195.84	210.58	240.50	273.31	301.62	384.96	532.53	639.66
341.5	Transportation Equipment	1,715.52	1,715.52	1,715.52	1,715.52	1,715.52	-857.76	0.00	0.00	1,153.93
345.5	Power Operated Equipment	96.60	80.50	80.50	80.50	80.50	80.50	80.50	-474.95	0.00
	<b>Total</b>	<b>37,734.52</b>	<b>34,672.65</b>	<b>35,035.80</b>	<b>35,333.47</b>	<b>35,625.52</b>	<b>33,904.76</b>	<b>38,136.91</b>	<b>40,772.37</b>	<b>42,998.37</b>

HARBOR HILLS UTILITIES, L.P.  
 DEVELOPMENT OF WATER CIAC AND AMC  
 AS OF 6/1/94, FROM TRANSFER ORDER NC  
 INCORPORATION OF ADDITIONS SINCE TR

NARUC Acct.		2001	2002	2003	2004	2005	2006	2007	06/30/2008	12/31/2008
271.10	CIAC Additions	28,960.00	12,670.00	20,815.00	26,245.00	65,160.00	81,450.00	19,910.00	0.00	0.00
271.10	CIAC Balance	545,703.00	558,373.00	579,188.00	605,433.00	670,593.00	752,043.00	771,953.00	771,953.00	771,953.00
	Average CIAC Balance	531,223.00	552,038.00	568,780.50	592,310.50	638,013.00	711,318.00	761,998.00	771,953.00	771,953.00
403.90	Amortization Expense	16,510.60	17,211.58	17,787.92	17,289.74	18,896.80	20,622.62	22,928.05		19,225.43
272.10	Accum. Amort. CIAC	156,244.05	173,455.63	191,243.55	208,533.29	227,430.09	248,052.71	270,980.76	270,980.76	290,206.19

Calculation of CIAC Amortization Rate

Year End Plant Balance	1,128,863.45	1,137,682.21	1,140,617.02	1,182,396.41	1,392,837.30	1,419,814.35	1,438,228.34		1,730,501.96
Average Plant Balance	1,127,265.45	1,133,272.83	1,139,149.62	1,161,506.72	1,287,616.86	1,406,325.83	1,429,021.35		1,584,365.15
Depreciation Expense	35,036	35,333	35,626	33,905	38,137	40,772	42,998		39,458
CIAC Amort Rate = Avg. Depr. Rate	3.11%	3.12%	3.13%	2.92%	2.96%	2.90%	3.01%		2.49%

HARBOR HILLS UTILITIES, L.P.  
 DEVELOPMENT OF WATER PLANT AND DE  
 AS OF 6/1/94, FROM TRANSFER ORDER NC  
 INCORPORATION OF PLANT ADDITIONS SII

NARUC Acct.	Description	Plant Additions / Retirements			
		06/30/2008	12/31/2008	06/30/2009	12/31/2009
303.2	Land & Land Rights				
304.2	Structures & Improvements				
307.2	Wells and Springs				
309.2	Supply Mains				
310.2	Power Generation Equipment				
311.2	Pumping Equipment				
320.3	Water Treatment Equipment		739.00		
330.4	Dist. Reservoirs & Standpipes	3,120.00	22,545.30	5,500.62	
331.4	Trans. & Distribution Mains	141,326.00			
333.4	Services	88,117.50			
334.4	Meters & Meter Installations	519.06	-117.81	-31.51	
335.4	Hydrants	35,320.00			
336.4	Backflow Prevention Devices	335.55	369.02		
341.5	Transportation Equipment				
345.5	Power Operated Equipment				
	<b>Total</b>	<b>268,738.11</b>	<b>23,535.51</b>	<b>5,469.11</b>	<b>0.00</b>

Source: PSC Audit Workpaper 16,

NARUC Acct.	Description	Total Plant			
		06/30/2008	12/31/2008	06/30/2009	12/31/2009
303.2	Land & Land Rights	12,500.00	12,500.00	12,500.00	12,500.00
304.2	Structures & Improvements	4,418.90	4,418.90	4,418.90	4,418.90
307.2	Wells and Springs	132,716.48	132,716.48	132,716.48	132,716.48
309.2	Supply Mains	4,565.00	4,565.00	4,565.00	4,565.00
310.2	Power Generation Equipment	687.43	687.43	687.43	687.43
311.2	Pumping Equipment	188,985.76	188,985.76	188,985.76	188,985.76
320.3	Water Treatment Equipment	33,209.06	33,948.06	33,948.06	33,948.06
330.4	Dist. Reservoirs & Standpipes	107,379.93	129,925.23	135,425.85	135,425.85
331.4	Trans. & Distribution Mains	833,411.46	833,411.46	833,411.46	833,411.46
333.4	Services	184,598.44	184,598.44	184,598.44	184,598.44
334.4	Meters & Meter Installations	37,667.51	37,549.70	37,518.19	37,518.19
335.4	Hydrants	139,206.87	139,206.87	139,206.87	139,206.87
336.4	Backflow Prevention Devices	13,772.50	14,141.52	14,141.52	14,141.52
341.5	Transportation Equipment	13,847.11	13,847.11	13,847.11	13,847.11
345.5	Power Operated Equipment	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>1,706,966.45</b>	<b>1,730,501.96</b>	<b>1,735,971.07</b>	<b>1,735,971.07</b>

HARBOR HILLS UTILITIES, L.P.  
 DEVELOPMENT OF WATER PLANT AND DE  
 AS OF 6/1/94, FROM TRANSFER ORDER NC  
 INCORPORATION OF PLANT ADDITIONS SII

NARUC Acct.	Description	Accumulated Depreciation			
		06/30/2008	12/31/2008	06/30/2009	12/31/2009
303.2	Land & Land Rights				
304.2	Structures & Improvements	903.75	976.53	1,048.63	1,121.05
307.2	Wells and Springs	86,924.29	88,466.65	90,008.91	91,551.21
309.2	Supply Mains	2,378.26	2,436.16	2,494.11	2,552.01
310.2	Power Generation Equipment	368.07	388.35	408.62	428.90
311.2	Pumping Equipment	168,317.87	169,666.73	171,015.65	172,364.51
320.3	Water Treatment Equipment	21,950.56	22,777.94	23,606.48	24,441.92
330.4	Dist. Reservoirs & Standpipes	49,578.01	51,111.53	52,843.50	54,594.66
331.4	Trans. & Distribution Mains	224,488.96	233,714.62	242,969.20	252,209.32
333.4	Services	26,732.59	29,166.13	31,599.70	34,033.24
334.4	Meters & Meter Installations	12,507.33	13,510.37	13,877.22	14,866.08
335.4	Hydrants	31,947.73	33,489.19	35,036.79	36,581.37
336.4	Backflow Prevention Devices	4,441.01	4,810.79	5,181.63	5,556.51
341.5	Transportation Equipment	2,989.71	4,196.07	5,402.47	6,608.83
345.5	Power Operated Equipment	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>633,528.14</b>	<b>654,711.06</b>	<b>675,492.91</b>	<b>696,909.61</b>

Source: PSC Audit Workpaper 16,

20,781.85

NARUC Acct.	Description	Annual Depreciation Expense			
		06/30/2008	12/31/2008	06/30/2009	12/31/2009
303.2	Land & Land Rights				
304.2	Structures & Improvements	129.47	154.94	144.88	144.52
307.2	Wells and Springs	3,155.73	2,486.15	3,084.62	3,084.56
309.2	Supply Mains	118.20	110.88	115.85	115.85
310.2	Power Generation Equipment	40.55	43.65	40.55	40.55
311.2	Pumping Equipment	2,813.74	-562.04	2,697.78	2,697.78
320.3	Water Treatment Equipment	1,746.75	1,819.38	1,655.92	1,663.98
330.4	Dist. Reservoirs & Standpipes	2,704.83	2,829.43	3,265.49	3,483.13
331.4	Trans. & Distribution Mains	15,575.42	16,753.58	18,480.24	18,494.70
333.4	Services	2,939.97	4,167.50	4,867.11	4,867.11
334.4	Meters & Meter Installations	2,273.95	5,083.76	1,369.89	1,355.71
335.4	Hydrants	2,341.80	2,764.56	3,089.06	3,092.18
336.4	Backflow Prevention Devices	714.61	764.56	740.62	745.72
341.5	Transportation Equipment	2,412.75	3,042.14	2,412.76	2,412.76
345.5	Power Operated Equipment	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>36,967.77</b>	<b>39,458.49</b>	<b>41,964.77</b>	<b>42,198.55</b>

2008 = 39,458.49      2009 = 42,198.55

HARBOR HILLS UTILITIES, L.P.  
 DEVELOPMENT OF WATER CIAC AND AMC  
 AS OF 6/1/94, FROM TRANSFER ORDER NC  
 INCORPORATION OF ADDITIONS SINCE TR

NARUC Acct.		06/30/2009	12/31/2009
271.10	CIAC Additions	1,810.00	3,620.00
271.10	CIAC Balance	773,763.00	777,383.00
	Average CIAC Balance	772,858.00	775,573.00
403.90	Amortization Expense		18,882.63
272.10	Accum. Amort. CIAC	290,206.19	309,088.81

Calculation of CIAC Amortization Rate

Year End Plant Balance		1,735,971.07
Average Plant Balance		1,733,236.52
Depreciation Expense		42,199
CIAC Amort Rate = Avg. Depr. Rate		2.43%

HARBOR HILLS UTILITIES WATER CAPITAL EXPENDITURES - RUNNING LIST

THROUGH 03/31/2010

			DATE	PURCHASE	DATE	AMOUNT	REMAINING
	QTY	SEACH	POSTED	PRICE	POSTED	RETIRED	BALANCE
1230320	LAND & LAND RIGHTS						
	<u>GENERAL PLANT</u>						
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	12,500.00			
			TOTALS	12,500.00		0.00	12,500.00
1230350	LAND & LAND RIGHTS						
	<u>GENERAL PLANT</u>						
	J/E	FROM ORIGINAL PURCHASE	05/31/1995	10,000.00			
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	-10,000.00			
			TOTALS	0.00		0.00	0.00
1230420	STRUCTURES & IMPROVEMENTS						
	<u>SOURCE OF SUPPLY &amp; PUMPING PLANT</u>						
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	1,828.90			
	RIZZO ROOFING	PUMP HOUSE ROOFS	09/27/2007	2,590.00			
			TOTALS	4,418.90		0.00	4,418.90
1230450	STRUCTURES & IMPROVEMENTS						
	<u>GENERAL PLANT</u>						
	K & J MASONRY	PUMP HOUSE WALLS	10/14/1994	300.00			
	LAKE DOOR & TRIM	UTILITY BUILDING DOOR	11/28/1994	961.40			
	K & J MASONRY	REPLACE CEMENT BLOCK WALL	11/16/1995	300.00			
	COMMUNICATIONS EQUIP.	INSTALL TELEPHONE WIRING		267.50			
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	-1,828.90			
			TOTALS	0.00		0.00	0.00
1230720	WELLS & SPRINGS						
	<u>SOURCE OF SUPPLY &amp; PUMPING PLANT</u>						
	FELTON	CHLORINATOR	12/31/1994	1,275.98			
	UTILITY TECHNICIANS	INSTALL VALVES	12/31/1994	3,800.00			
	UTILITY TECHNICIANS	REPIPE CHLORINATOR	12/31/1994	500.00			
	WGGINS BROS.	DEEPEEN WELL #2	06/21/2000	3,072.83			
	WGGINS BROS.	DEEPEEN WELL #1	07/06/2000	4,174.07			
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	117,599.60			
	UTILITY TECHNICIANS	CHLORINE ALARMS	08/31/2006	2,294.00			
			TOTALS	132,716.48		0.00	132,716.48
1230920	SUPPLY MAINS						
	<u>SOURCE OF SUPPLY &amp; PUMPING PLANT</u>						
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	4,565.00			
			TOTALS	4,565.00		0.00	4,565.00
1231020	POWER GENERATION EQUIPMENT						
	<u>SOURCE OF SUPPLY &amp; PUMPING PLANT</u>						
	HOME DEPOT	GENERATOR	06/14/1999	587.43			
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	100.00			
			TOTALS	687.43		0.00	687.43
1231120	PUMPING EQUIPMENT						
	<u>SOURCE OF SUPPLY &amp; PUMPING PLANT</u>						
	ROSS VALVE	DEEP WELL VALVE	08/25/1994	2,374.40			
	ROSS VALVE	DEEP WELL PUMP	12/31/1994	4,079.10			
	UTILITY TECHNICIANS	REPIPE DEEP WEEL VALVE	07/15/1996	1,800.00			
	U.S. FILTER/AUTOCON	COMMUNICATION BOARDS	12/23/1997	1,485.68			
	TAVERES ELECTRIC	STARTER	08/13/1998	2,361.47			
	UTILITY TECHNICIANS	AIR COMPRESSOR	11/30/1998	1,220.16			
	GENERAL UTILITIES	CHLORINE BOOSTER PUMP	12/15/1999	619.75			
	UTILITY TECHNICIANS	PRESSURE SWITCH	03/09/2000	664.00			
	UTILITY TECHNICIANS	PRESSURE SWITCHS	09/15/2000	2,720.00			
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	151,045.48			
	SOUTH MARION	REPLACE GATE VALVE	07/19/2002	6,996.24			
	WIGGINS BROS.	MOTOR & STARTER	01/16/2004	9,329.90			
	ROSS VALVE	PUMP CONTROL VALVE	09/22/2006	4,289.58			
			TOTALS	188,985.76		0.00	188,985.76

1232030	WATER TREATMENT EQUIPMENT					
	<u>WATER TREATMENT PLANT</u>					
	UTILITY TECHNICIANS	BLOWER / SHEEVES	03/31/1998	2,867.38		
	UTILITY TECHNICIANS	SPLITTER BOX	01/15/1999	2,992.00		
	UTILITY TECHNICIANS	SURGE PUMPS	03/30/1999	950.00		
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	20,791.03		
	GENERAL UTILITIES	CHLORINE ALARM	01/31/2003	786.32		
	GENERAL UTILITIES	CHLORINATOR	03/26/2004	908.43		
	GENERAL UTILITIES	CHLORINE MODULES	05/31/2006	3,913.90		
	LAKE COUNTY BOARD	EXPANSION APPLICATION	12/23/2008	739.00		
		TOTALS		33,948.06	0.00	33,948.06
1233040	DISTRIBUTION RESEVOIRS & STANDPIPES					
	<u>TRANSMISSION &amp; DISTRIBUTION PLANT</u>					
(DEPOSIT)	UTILITY TECHNICIANS	WATER TANK	09/30/1994	14,985.50		
(BALANCE)	UTILITY TECHNICIANS	WATER TANK	11/16/1994	14,985.50		
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	68,903.66		
	UTILITY TECHNICIANS	REPLACE AIR COMPRESSOR	08/11/2006	2,319.00		
	GRAVATT FENCE	FENCE IN TANKS	09/29/2006	3,066.25		
	BOYD ENVIRONMENTAL	HYDROTANK PROJECT	05/19/2008	3,120.00		
	BOOTH, ERN	HYDROTANK PROJECT	07/15/2008	4,400.00		
	BOYD ENVIRONMENTAL	HYDROTANK PROJECT	08/08/2008	4,674.00		
	BOYD ENVIRONMENTAL	HYDROTANK PROJECT	09/18/2008	3,717.00		
	BOOTH, ERN	HYDROTANK PROJECT	10/20/2008	3,000.00		
	BOOTH, ERN	HYDROTANK PROJECT	11/14/2008	2,700.00		
	BOOTH, ERN	HYDROTANK PROJECT	12/19/2009	2,500.00		
	BOOTH, ERN	HYDROTANK PROJECT	12/31/2008	1,150.00		
	BOOTH, ERN	HYDROTANK PROJECT	12/31/2008	404.30		
	BOYD ENVIRONMENTAL	HYDROTANK PROJECT	01/15/2009	387.20		
	BOYD ENVIRONMENTAL	HYDROTANK PROJECT	01/15/2009	2,301.00		
	BOOTH, ERN	HYDROTANK PROJECT	01/31/2009	200.00		
	BOOTH, ERN	HYDROTANK PROJECT	02/26/2009	949.22		
	BOYD ENVIRONMENTAL	HYDROTANK PROJECT	04/09/2009	1,663.20		
		TOTALS		135,425.85	0.00	135,425.85
1233140	TRANSMISSION & DISTRIBUTION MAINS					
	<u>TRANSMISSION &amp; DISTRIBUTION PLANT</u>					
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	358,719.72		
	CIRACO UNDERGROUND	REPLACE SADDLEBACK MAIN	12/31/2004	16,380.00		
J/E	H.H. DEVELOPMENT	PINES/GROVE/LAKEVIEW	04/30/2005	177,522.24		
J/E	H.H. DEVELOPMENT	LAKEVIEW WATER SERVICE	06/30/2005	1,953.00		
J/E	H.H. DEVELOPMENT	LAKEVIEW WATER SERVICE	06/30/2005	137,510.50		
	HH DEVELOPMENT (CIRACO) MAINS - BELLA VISTA		05/29/2008	69,465.00		
	HH DEVELOPMENT (CIRACO) MAINS - BELLA VISTA		05/29/2008	71,861.00		
		TOTALS		833,411.46	0.00	833,411.46
1233340	SERVICES (PIPES & ACCESSORIES)					
	<u>TRANSMISSION &amp; DISTRIBUTION PLANT</u>					
	J/E	CORRECTION PER PSC AUDIT	04/29/2002	32,535.00		
	UTILITY TECHNICIANS	GATE VALVE	07/16/2004	927.43		
J/E	H.H. DEVELOPMENT	PINES/GROVE/LAKEVIEW	04/30/2005	22,628.51		
	CIRACO UNDERGROUND	LAKEVIEW SERVICES	05/27/2005	3,800.00		
J/E	H.H. DEVELOPMENT	LAKEVIEW WATER SERVICE		35,690.00		
J/E	H.H. DEVELOPMENT	LAKEVIEW WATER SERVICE	01/31/2006	900.00		
	H.H. DEVELOPMENT (CIRACC SERVICES - BELLA VISTA		05/29/2008	42,892.50		
	H.H. DEVELOPMENT (CIRACC SERVICES - BELLA VISTA		05/29/2008	45,225.00		
		TOTALS		184,598.44	0.00	184,598.44
1233440	METER & METER INSTALLATION					
	<u>TRANSMISSION &amp; DISTRIBUTION PLANT</u>					
	UTILITY TECHNICIANS	METERS	08/25/1994	3,916.86		
	DAVIS METER	METERS	09/30/1994	412.93	12/31/2008	412.93
	DAVIS METER	METERS	11/25/1994	278.20	12/31/2007	278.20
	DAVIS METER	METERS	12/22/1994	265.54	12/31/2007	265.54
	J/E	METERS PURCHASED ON 4-13-94	12/31/1994	1,292.72	12/31/2007	1,292.72
	DAVIS METER	METER	05/11/1995	88.47	12/31/2007	88.47
	U.S. FILTER / DAVIS	METERS	05/22/1996	94.16	12/31/2007	94.16
	U.S. FILTER / DAVIS	METERS	06/19/1996	359.52	12/31/2008	328.01
					06/30/2009	31.51
	U.S. FILTER / DAVIS	METERS	08/14/1996	94.16	12/31/2007	94.16
	U.S. FILTER / DAVIS	METERS	08/22/1996	359.52		
	U.S. FILTER / DAVIS	METERS	09/09/1996	62.06	12/31/2007	62.06
	U.S. FILTER / DAVIS	METERS	11/12/1996	359.52		
	U.S. FILTER / DAVIS	METERS	11/18/1996	359.52		
	SUNSTATE METER	METERS	12/18/1996	60.85	12/31/2007	60.85
	SUNSTATE METER	METERS	06/12/1997	456.32		
	SUNSTATE METER	METERS	08/15/1997	452.98		
	SUNSTATE METER	METERS	11/30/1997	456.32		
	SUNSTATE METER	METERS	01/22/1998	452.27		
	U.S. FILTER	METERS	03/16/1998	410.88		
	U.S. FILTER	METERS	04/28/1998	94.17	12/31/2007	94.17
	U.S. FILTER	METERS	04/30/1998	593.38		
	U.S. FILTER	METERS	06/26/1998	410.88		
	U.S. FILTER	METERS	10/22/1998	410.88		
	U.S. FILTER	METERS	01/21/1999	384.00		
	U.S. FILTER	METERS	01/21/1999	26.88	12/31/2007	26.88
	U.S. FILTER	METERS	04/21/1999	410.88		
	U.S. FILTER	METERS	05/12/1999	410.88		
	U.S. FILTER	METERS	07/29/1999	313.22		
	U.S. FILTER	METERS	09/16/1999	411.95		
	U.S. FILTER	METERS	11/17/1999	342.40		
	U.S. FILTER	METERS	12/22/1999	342.40		
	U.S. FILTER	METERS	01/26/2000	342.40		



Harbor Hills - Water

Year	2010	2011	2012	2013	2014	2015
Added cust	44	44	44	44	44	44
Existing	622	666	709	753	797	840
Total for each yr	666	709	753	797	840	884

TTM	Customers	Per Cust	Year	2010	2011	2012	2013	2014	2015
Revenue	\$ 326,084	622	\$ 524	\$ 21,624	\$ 26,520	\$ 32,232	\$ 38,352	\$ 46,920	\$ 46,920
Salaries & Wages - Employees	\$ 11,259	622	\$ 18	\$ 11,546	\$ 11,841	\$ 12,143	\$ 12,452	\$ 12,770	\$ 13,095
Salaries & Wages - Officers, Exec.	\$ -	622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Pensions & Benefits	\$ 12,785	622	\$ 21	\$ 13,808	\$ 14,912	\$ 16,105	\$ 17,394	\$ 18,785	\$ 20,288
Purchased Water	\$ -	622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Power	\$ 47,946	622	\$ 77	\$ 51,312	\$ 54,678	\$ 58,044	\$ 61,410	\$ 64,776	\$ 64,776
Fuel for Purchased Power	\$ 619	622	\$ 1	\$ 666	\$ 714	\$ 762	\$ 811	\$ 860	\$ 865
Chemicals	\$ 4,930	622	\$ 8	\$ 5,306	\$ 5,685	\$ 6,069	\$ 6,457	\$ 6,849	\$ 6,887
Materials & Supplies	\$ 7,944	622	\$ 13	\$ 7,988	\$ 8,033	\$ 8,078	\$ 8,123	\$ 8,169	\$ 8,215
Contractual Services - Engineering	\$ 8,731	622	\$ 14	\$ 8,780	\$ 8,829	\$ 8,879	\$ 8,928	\$ 8,978	\$ 9,028
Contractual Services - Accounting	\$ 937	622	\$ 1	\$ 932	\$ 938	\$ 943	\$ 948	\$ 953	\$ 959
Contractual Services - Service and Sundry	\$ 20,941	622	\$ 34	\$ 21,569	\$ 22,216	\$ 22,882	\$ 23,569	\$ 24,276	\$ 25,004
Contractual Services - Mgmt. Fees	\$ 50,326	622	\$ 81	\$ 53,859	\$ 57,392	\$ 60,925	\$ 64,458	\$ 67,991	\$ 67,991
Contractual Services - Testing	\$ 10,404	622	\$ 17	\$ 10,462	\$ 10,521	\$ 10,580	\$ 10,639	\$ 10,699	\$ 10,759
Contractual Services - Other	\$ 1,288	622	\$ 2	\$ 1,295	\$ 1,302	\$ 1,310	\$ 1,317	\$ 1,324	\$ 1,332
Rental of Building/Real Prop.	\$ -	622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental of Equipment	\$ -	622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation Expenses	\$ 5,207	622	\$ 8	\$ 5,236	\$ 5,266	\$ 5,295	\$ 5,325	\$ 5,354	\$ 5,384
Insurance - Vehicle	\$ 709	622	\$ 1	\$ 713	\$ 717	\$ 721	\$ 725	\$ 729	\$ 733
Insurance - General Liability	\$ 2,849	622	\$ 5	\$ 2,865	\$ 2,881	\$ 2,897	\$ 2,913	\$ 2,929	\$ 2,946
Insurance - Workman's Comp.	\$ 350	622	\$ 1	\$ 352	\$ 354	\$ 356	\$ 358	\$ 360	\$ 362
Insurance - Other	\$ 883	622	\$ 1	\$ 888	\$ 893	\$ 898	\$ 903	\$ 908	\$ 913
Advertising Expense	\$ -	622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reg. Comm. Exp. - Rate Case Amort.	\$ -	622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reg. Comm. Exp. - Rate Case Other	\$ -	622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bad Debt Expense	\$ -	622	\$ -	\$ 324	\$ 398	\$ 483	\$ 575	\$ 704	\$ 704
Miscellaneous Expense	\$ 4,279	622	\$ 7	\$ 4,303	\$ 4,327	\$ 4,351	\$ 4,376	\$ 4,400	\$ 4,425
Total O&M	\$ 192,377			\$ 202,205	\$ 211,896	\$ 221,721	\$ 231,681	\$ 241,816	\$ 244,667
Depreciation	\$ 40,832			\$ 40,832	\$ 40,832	\$ 40,832	\$ 40,832	\$ 40,832	\$ 40,832
Amortization	\$ (17,797)			\$ (17,797)	\$ (17,797)	\$ (17,797)	\$ (17,797)	\$ (17,797)	\$ (17,797)
Acquisition Adj. Amortization	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes Other than income	\$ 36,501			\$ 22,801	\$ 23,021	\$ 23,278	\$ 23,553	\$ 23,939	\$ 23,939
Operating Income	\$ 74,171			\$ (226,417)	\$ (231,432)	\$ (235,802)	\$ (239,918)	\$ (241,870)	\$ (244,721)
Total Income Taxes	\$ 25,779			\$ 12,749	\$ 12,206	\$ 11,663	\$ 11,120	\$ 10,577	\$ 10,034
Net Income	\$ 48,392			\$ (239,166)	\$ (243,638)	\$ (247,465)	\$ (251,038)	\$ (252,447)	\$ (254,755)
Return on Equity				\$ 31,095	\$ 29,771	\$ 28,447	\$ 27,122	\$ 25,798	\$ 24,474

Same as percentage approved in rate case order.

2010 Index Per Commission Order PSC-10-0082-PAA-WS						
	2010	2011	2012	2013	2014	2015
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	
1.0056	1.01123136	1.01689426	1.02258886	1.02831536	1.03407393	

(Weighted cost was 5.68%)

Waste Rate Base  
Percent paid with debt  
Debt cost  
Interest  
NOI less interest  
Income Tax

\$ 510,767.27  
\$ 221,457.70  
0.051  
\$ 11,294.34  
\$ 62,876.55  
\$ 25,779.38

Wastewater Rate Base  
Percent paid with debt  
Debt cost  
Interest  
NOI less interest  
Income Tax

38000  
14744  
0.051  
751,944  
(32,888)  
\$ (13,484.13)

<b>Aqua Utilities Florida, Inc. Harbor Hills - Water</b>	Commission Approved Revenue Requirement	Staff Number of ERCs	Cost per ERC	Harbor Hills Estimated Revenue Requirement 2014	Harbor Hills ERCs 2014	Total Cost per ERC 2014	Difference
<b>Water</b>							
With wastewater allocation (Without Chuluota)	\$ 8,651,295.88	191,838	\$ 45.10	\$ 333,567.26	10,084	\$ 44.50	\$ (0.60)
Without wastewater allocation (without Chuluota)	\$ 8,072,847.00	191,838	\$ 42.08	\$ 333,567.26	10,084	\$ 41.63	\$ (0.45)
With wastewater allocation (With Chuluota)	\$ 9,561,835.88	208,626	\$ 45.83	\$ 333,567.26	10,084	\$ 45.24	\$ (0.59)
Without wastewater allocation (with Chuluota)	\$ 8,983,387.00	208,626	\$ 43.06	\$ 333,567.26	10,084	\$ 42.60	\$ (0.46)
Chuluota - stand alone	\$ 910,540.00	16,788	\$ 54.24	N/A	N/A	N/A	

<b>Aqua Utilities Florida, Inc. Harbor Hills - Wastewater</b>	Commission Approved Revenue Requirement	Staff Number of ERCs	Cost per ERC	Harbor Hills Estimated Revenue Requirement 2014	Harbor Hills ERCs 2014	Total Cost per ERC 2014	Difference
<b>Wastewater</b>							
With wastewater re-allocation (Without Chuluota)	\$ 4,968,694.12	73,658	\$ 67.46	\$ 65,163.19	1776	\$ 66.73	\$ (0.72)
Without wastewater re-allocation (without Chuluota)	\$ 5,547,143.00	73,658	\$ 75.31	\$ 65,163.19	1776	\$ 74.40	\$ (0.91)
With wastewater allocation (With Chuluota)	\$ 6,164,128.00	82,016	\$ 75.16	\$ 65,163.19	1776	\$ 74.34	\$ (0.82)
Without wastewater allocation (with Chuluota)	\$ 6,164,128.00	82,016	\$ 75.16	\$ 65,163.19	1776	\$ 74.34	\$ (0.82)
Chuluota - stand alone	\$ 616,985.00	8,358	\$ 73.82	N/A	N/A	N/A	

<b>Aqua Utilities Florida, Inc. Harbor Hills - Combined</b>	Commission Approved Revenue Requirement	Staff Number of ERCs	Cost per ERC	Harbor Hills Estimated Revenue Requirement 2014	Harbor Hills ERCs 2014	Total Cost per ERC 2014	Difference
<b>Combined Water &amp; Wastewater</b>							
<b>With wastewater allocation</b> (Without Chuluota)	\$ 13,619,990.00	265,496	\$ 112.55	\$ 398,730.45	11860	\$ 111.23	\$ (1.32)
Without wastewater allocation (without Chuluota)	\$ 13,619,990.00	265,496	\$ 117.39	\$ 398,730.45	11860	\$ 116.03	\$ (1.36)
With wastewater allocation (With Chuluota)	\$ 15,725,963.88	290,642	\$ 120.99	\$ 398,730.45	11860	\$ 119.59	\$ (1.40)
Without wastewater allocation (with Chuluota)	\$ 15,147,515.00	290,642	\$ 118.22	\$ 398,730.45	11860	\$ 116.94	\$ (1.28)
Chuluota - stand alone	\$ 1,527,525.00	25,146	\$ 128.06	N/A	N/A	N/A	

**EXHIBIT I**  
**Rule 25-30.037 (2)(m)**

**A statement setting forth the reasons for an acquisition adjustment, if one is requested.**

Not applicable.

**EXHIBIT J**  
**Rule 25-30.037 (2)(o)**

**A statement from the buyer that it has obtained or will obtain copies of all the federal income tax returns of the seller from the date the utility was first established, or rate base was last established by the Commission or, if the tax returns have not been obtained, a statement from the buyer detailing the steps taken to obtain the returns.**

Harbor Hills Utilities, L.P. has provided AUF with tax returns for the years 2004 – 2009.

**EXHIBIT K**  
**Rule 25-30.037 (2)(p)**

**A statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental Protection.**

After reasonable investigation, AUF has determined that the Harbor Hills water system is in satisfactory condition and is in compliance with all applicable standards set by the Florida Department of Environmental Protection ("FDEP") and does not have any outstanding Notices of Violation or Consent Orders with the FDEP.

**EXHIBIT L**  
**Rule 25-30.030(8)**

**An affidavit that the notice of actual application was given in accordance with Section 367-045(1), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail.**

Exhibit L will be submitted as a late-filed exhibit.

**EXHIBIT M**  
**Rule 25-30.030(6)**

**An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system being transferred.**

Exhibit M will be submitted as a late-file exhibit.

**EXHIBIT N**  
**Rule 25-30.030(7)**

**Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30-030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit.**

Exhibit N will be submitted as a late-filed exhibit.

**EXHIBIT O**  
**Rule 25-30.037 (2)(q)**

**Evidence that the utility owns the land where the utility treatment facility are located. Or, where the utility does not own the land, a copy of the agreement which provides for the long term, continuous use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative.**

See attached.





POLICY NUMBER

107-839999

## OWNER'S POLICY OF TITLE INSURANCE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS CONTAINED IN SCHEDULE B AND THE PROVISIONS OF THE CONDITIONS AND STIPULATIONS HEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Pennsylvania corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, and cost, attorneys' fees and expenses which the Company may become obligated to pay hereunder, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested otherwise than as stated therein;
2. Any defect in or lien or encumbrance on such title;
3. Lack of a right of access to and from the land; or
4. Unmarketability of such title.

IN WITNESS WHEREOF, the Commonwealth Land Title Insurance Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.



COMMONWEALTH LAND TITLE INSURANCE COMPANY

Attest:

*James J. D. Lynch Jr.*  
Secretary

By

*Frank Tulli*

President

### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy:

1. (a) Governmental police power.  
(b) Any law, ordinance or governmental regulation relating to environmental protection.  
(c) Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part.  
(d) The effect of any violation of the matters excluded under (a), (b) or (c) above, unless notice of a defect, lien or encumbrance resulting from a violation has been recorded at Date of Policy in those records in which under state statutes deeds, mortgages, lis pendens, liens or other title encumbrances must be recorded in order to impart constructive notice to purchasers of the land for value and without knowledge; provided, however, that without limitation, such records shall not be construed to include records in any of the offices of federal, state or local environmental protection, zoning, building, health or public safety authorities.
2. Rights of eminent domain unless notice of the exercise of such rights appears in the public records at Date of Policy.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; (e) resulting in loss or damage which would not have been sustained if the insured claimant had value for the estate or interest insured by this policy.

## CONDITIONS AND STIPULATIONS

### 1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company may have had against the named insured, those who succeed to the interest of such insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage hereunder.

(c) "knowledge": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.

(d) "land": the land described, specifically or by reference in Schedule A, and improvements affixed thereto which by law constitute real property; provided, however, the term "land" does not include any property beyond the lines of the area specifically described or referred to in Schedule A, nor any right, title, interest, estate or easement in adjoining streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": those records which by law impart constructive notice of matters relating to said land.

### 2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured so long as such insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from such insured, or so long as such insured shall have liability by reason of covenants of warranty made by such insured in any transfer or conveyance of such estate or interest; provided, however, this policy shall not continue in force in favor of any purchaser from such insured of either said estate or interest or the indebtedness secured by a purchase money mortgage given to such insured.

### 3. DEFENSE AND PROSECUTION OF ACTIONS — NOTICE OF CLAIM TO BE GIVEN BY AN INSURED CLAIMANT

(a) The Company, at its own cost and without undue delay, shall provide for the defense of an insured in all litigation consisting of actions or proceedings commenced against such insured, or a defense interposed against an insured in an action to enforce a contract for a sale of the estate or interest in said land, to the extent that such litigation is founded upon an alleged defect, lien, encumbrance, or other matter insured against by this policy.

(b) The insured shall notify the Company promptly in writing (i) in case any action or proceeding is begun or defense is interposed as set forth in (a) above, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If such prompt notice shall not be given to the Company, then as to such insured all liability of the Company shall cease and terminate in regard to the matter or matters for which such prompt notice is required; provided, however, that failure to notify shall in no case prejudice the rights of any such insured under this policy unless the Company shall be prejudiced by such failure and then only to the extent of such prejudice.

(c) The Company shall have the right at its own cost to institute and without undue delay prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as insured, and the Company may take any appropriate action under the terms of this policy, whether or not it shall be liable thereunder, and shall not thereby concede liability or waive any provision of this policy.

(d) Whenever the Company shall have brought any action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any such litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(e) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured hereunder shall secure to the Company the right to so prosecute or provide defense in such action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such insured for such purpose. Whenever requested by the Company, such insured shall give the Company all reasonable aid in any such action or proceeding, in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending such action or proceeding, and the Company shall reimburse such insured for any expense so incurred.

### 4. NOTICE OF LOSS — LIMITATION OF ACTION

In addition to the notices required under paragraph 3(b) of these Conditions and Stipulations, a statement in writing of any loss or damage for which it is claimed the Company is liable under this policy shall be furnished to the Company within 90 days after such loss or damage shall have been determined and no right of action shall accrue to an insured claimant until 30 days after such statement shall have been furnished. Failure to furnish such statement of loss or damage shall terminate any liability of the Company under this policy as to such loss or damage.

### 5. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS

The Company shall have the option to pay or otherwise settle for or in the name of an insured claimant any claim insured against or to terminate all liability and obligations of the Company hereunder by paying or tendering payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred up to the time of such payment or tender of payment, by the insured claimant and authorized by the Company.

### 6. DETERMINATION AND PAYMENT OF LOSS

(a) The liability of the Company under this policy shall in no case exceed the least of:

- (i) the actual loss of the insured claimant; or
- (ii) the amount of insurance stated in Schedule A

(b) The Company will pay, in addition to any loss insured against by this policy, all costs imposed upon an insured in litigation carried on by the Company for such insured, and all costs, attorneys' fees and expenses in litigation carried on by such insured with the written authorization of the Company.

(c) When liability has been definitely fixed in accordance with the conditions of this policy, the loss or damage shall be payable within 30 days thereafter.

Conditions and Stipulations Continued Inside Cover



Issued with Policy No.



**Commonwealth.**  
Land Title Insurance Company

**SCHEDULE A**

Policy No. 107-839999

Effective Date: March 17, 1995 at 8:42 A.M.

File Number 9079U

Amount of Insurance: \$ 1,450,000.00

1. Name of Insured:

Harbor Hills Utilities, L.P., a Delaware Limited Partnership, registered to do business in the State of Florida as Harbor Hills Utilities, Ltd.

2. The estate or interest in the land described herein and which is covered by this policy is a fee simple (if other, specify same) and is at the effective date hereof vested in the named insured as shown by instrument recorded in Official Records Book of 1351, Page 1646, of the Public Records of Lake County, Florida.

3. The land referred to in this policy is described as follows:

As described on the attached Exhibit "A"

*Note to Scott:  
Taxes are shown as delinquent because as of 3-7-95, the date of the policy, the tax issued had not been received.*

Countersigned:

Marybeth L. Pullum

Authorized Officer or Agent

PARCEL NO. 1

Well Site No. 2: That parcel of land depicted as Tract "O" Well Site on the Plat of Harbor Hills Unit 1, a subdivision in Lake County, Florida, according to the plat thereof recorded in Plat Book 30, Pages 13 through 27, inclusive, Public Records of Lake County, Florida, said parcel being subsequently designated as Tract "P" by Surveyor's Affidavit filed to correct certain scrivener's errors and conflicts with Lake County's E911 System, said Affidavit being recorded in Official Records Book 1014, Pages 2259 to 2260, Public Records of Lake County, Florida.

PARCEL NO. 2

Well Site No. 1: A portion of Tract "K", Harbor Hills Unit 1, as recorded in Plat Book 30, Pages 13 through 27, inclusive, Public Records of Lake County, Florida, corrected by Surveyor's Affidavits filed in Official Records Book 1014, Page 2259-2260, and Official Records Book 1067, Pages 239 through 242, Public Records of Lake County, Florida, being more particularly described as follows: For a point of reference, begin at the intersection of the South right-of-way line of Lake Griffin Road and the East line of Section 13, Township 18 South, Range 24 East, as shown in the aforementioned Plat Book 30, at Page 25, proceed thence South 00° 19' 09" East along the East line of said Section 13, 235.00 feet to the point of beginning ("P.O.B."). From the P.O.B. thus described, proceed South 74° 31' 53" West 80.00 feet; thence North 15° 28' 07" West 50.00 feet; thence North 89° 40' 51" East to a point on the East line of said Section 13; thence South 00° 19' 09" East along said East line to the point of beginning.

Together with a non-exclusive easement for ingress and egress over, upon and across Tract "K", Harbor Hills Unit 1, as recorded in Plat Book 30, Pages 13 through 27, inclusive, Public Records of Lake County, Florida, corrected by Surveyor's Affidavits filed in Official Records Book 1014, Page 2259-2260, and Official Records Book 1067, Pages 239 through 242, Public Records of Lake County, Florida.

## SCHEDULE B

File Number 9079U

Policy No. 107-839999

This policy does not insure against loss or damage by reason of the following exceptions:

1. Taxes for the year 1995 and taxes or assessments which are not shown as existing liens by the public records or which may be levied or assessed subsequent to the date hereof.
2. Rights or claims of parties in possession not shown by the public records.
3. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises.
4. Easements or claims of easements not shown by the public records.
5. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
6. Any claim that any part of said land is owned by the State of Florida by right of sovereignty, and riparian rights, if any.
7. Taxes for the years 1991 and 1992 are delinquent.
8. Access is by private easement as set forth in the Declaration of said plat recorded in Plat Book 30, Page 13, Public Records of Lake County, Florida.
9. Restrictions, covenants, conditions and easements as shown on the Plat of Harbor Hills Unit 1, recorded in Plat Book 30, Pages 13 through 27, inclusive, Public Records of Lake County, Florida.
10. Surveyor's Affidavit recorded in Official Records Book 1014, Page 2259, Public Records of Lake County, Florida.
11. Restrictions, covenants, conditions and easements, which include provisions for a private charge or assessment, as contained in the Declaration of Covenants, Conditions and Restrictions recorded in Official Records Book 1010, Page 1830, together with the Amendments, as recorded in Official Records Book 1067, Page 2274, and Official Records Book 1125, Page 2244, all in the Public Records of Lake County, Florida.
12. Agreements by and between Lake County, a political subdivision of the State of Florida, its successors and assigns, and the 347 Corporation of Florida, Inc., its successors and assigns, recorded in Official Records Book 1032, Page 280, and Official Records Book 1105, Page 2466, Public Records of Lake County, Florida.
13. Right-of-Way Easement in favor of Sumter Electric Cooperative, Inc., a Florida corporation, its successors and assigns, recorded in Official Records Book 1054, Page 2242, Public Records of Lake County, Florida.
14. Restrictions, covenants and conditions as contained in the Restrictive Covenant recorded in Official Records Book 1150, Page 470, of the Public Records of Lake County, Florida.
15. Reservations in favor of Trustees of the Internal Improvement Fund recorded in Deed Book 220, page 473, Public Records of Lake County, Florida which provide for Mineral Reservations which have been partially released in Official Records Book 1055, Page 1411, and State of Florida road right of way, which has been release in Official Records Book 1045, Page 1894, all in the Public Records of Lake County, Florida.
16. Riparian and littoral rights in and to and title to the portion of the subject property lying below the ordinary high-water (or mean -high-tide) mark of any lake or canal are not insured under the terms of this policy.

Schedule B of this Policy consists of

Pages

## CONDITIONS AND STIPULATIONS

(Continued)

### 7. LIMITATION OF LIABILITY

No claim shall arise or be maintainable under this policy (a) if the Company, after having received notice of an alleged defect, lien or encumbrance insured against hereunder, by litigation or otherwise, removes such defect, lien or encumbrance or establishes the title, as insured, within a reasonable time after receipt of such notice; (b) in the event of litigation until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as insured, as provided in paragraph 3 hereof; or (c) for liability voluntarily assumed by an insured in settling any claim or suit without prior written consent of the Company.

### 8. REDUCTION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto. No payment shall be made without producing this policy for endorsement of such payment unless the policy be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

### 9. LIABILITY NONCUMULATIVE

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring either (a) a mortgage shown or referred to in Schedule B hereof which is a lien on the estate or interest covered by this policy, or (b) a mortgage hereafter executed by an insured which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy. The Company shall have the option to apply to the payment of any such mortgages any amount that otherwise would be payable hereunder to the insured owner of the estate or interest covered by this policy and the amount so paid shall be deemed a payment under this policy to said insured owner.

### 10. APPORTIONMENT

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of said parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy,

unless a liability or value has otherwise been agreed upon as to each such parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement herein or by an endorsement attached hereto.

### 11. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the Company shall have settled a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant. The Company shall be subrogated to and be entitled to all rights and remedies which such insured claimant would have had against any person or property in respect to such claim had this policy not been issued, and if requested by the Company, such insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right of subrogation and shall permit the Company to use the name of such insured claimant in any transaction or litigation involving such rights or remedies. If the payment does not cover the loss of such insured claimant, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. If loss should result from any act of such insured claimant, such act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against hereunder which shall exceed the amount, if any, lost to the Company by reason of the impairment of the right of subrogation.

### 12. LIABILITY LIMITED TO THIS POLICY

This instrument together with all endorsements and other instruments, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company.

Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or any action asserting such claim, shall be restricted to the provisions and conditions and stipulations of this policy.

No amendment of or endorsement to this policy can be made except by writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

### 13. NOTICES, WHERE SENT

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to Commonwealth Land Title Insurance Company, Eight Penn Center, Philadelphia, Pennsylvania 19103.

REC 13- RECEIVED FOR  
TF 2- EXCISE TAXES  
DOC - JAMES C. WATKINS  
INT - CLERK LAKE CO FL  
BY *BR* D.C.

95 15030

TRUSTEE'S DEED

THIS INDENTURE made this 21<sup>st</sup> day of February, 1995, between THE UNITED STATES OF AMERICA, having an address of c/o Dominic DiNapoli, Special Trustee, Americas Tower, 1177 Avenue of the Americas, New York, New York 10036, party of the first party, and HARBOR HILLS UTILITIES, L.P., a Delaware Limited Partnership, registered to do business in the State of Florida as HARBOR HILLS UTILITIES, LTD., having an address at 950 Bay Street, Suite 1200, Toronto, Ontario Canada M5H 2B6, party of the second part.

BOOK 1051 PAGE 1646

WITNESSETH, that the party of the first part, in consideration of the sum of TEN and 00/100 (\$10.00) Dollars, lawful money of the United States, paid by the party of the second part, does hereby remise, release and quitclaim unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Lady Lake, County of Lake and State of Florida, as more particularly described on the Exhibit "A" attached hereto and made a part hereof (the "Premises").

Title to the Premises was forfeited to the party of the first part pursuant to a Decree of Forfeiture and Order Appointing Special Trustee, dated May 1, 1992, as amended or modified on May 18, 1992 and July 16, 1992, in the United States District Court, Eastern District of New York, Civil Action No. CV-92-2070.

Title to the Premises is being conveyed pursuant to an Order Approving Sales of Certain Real Properties, dated March 25, 1994 by Judge Edward R. Korman in the United States District Court, Eastern District of New York, Civil Action No. CV-92-2070.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described Premises to the center lines thereof,

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said Premises, including but not limited to all wells, water systems, pumping stations, force mains, filter systems, meters, and equipment used in the operation and maintenance of the water system, now located in or on the premises located at Harbor Hills Golf and Country Club, 6538 Lake Griffin Road, Lady Lake, Florida.

TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part warrants and covenants to defend title to the Premises against any claim arising from any

RECORDED  
RECORD VERIFIED  
LAKELAND  
APR 17 1995  
CLERK LAKE CO FL

BOOK 1352 PAGE 1647

cloud on title, defects in or claims arising out of the forfeiture process pursuant to which the party of the first part obtained title.

AND the party of the first part specifically warrants and covenants to defend that (i) the party of the first part is lawfully in possession of the Premises, (ii) the party of the first part has the right and authority to sell and convey the Premises, and (iii) the signature appearing on this deed on behalf of the party of the first part in the capacity as indicated on the signature line is properly authorized and binding.

The word "party" shall be construed as if it reads "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN THE PRESENCE OF:

THE UNITED STATE OF AMERICA

Frances V. Lentini  
FRANCES V. LENTINI  
Printed Name

By: [Signature]  
Dominic DiNapoli,  
Special Trustee

Denise Azop  
Denise Azop  
Printed Name

STATE OF NEW YORK  
COUNTY OF NEW YORK

The forgoing instrument was acknowledged before me this 21ST day of FEBRUARY, 1995 by Dominic DiNapoli, as Special Trustee on behalf of the United States of America. He is personally known to me, or has produced ~~as~~ identification and did not take an oath.

Rosa E. Doner  
Notary Public State of New York  
My Commission Expires:

(NOTARY SEAL)

(NHU-USA)  
PREPARED BY AND RETURN TO:  
Marybeth L. Pullum  
Pullum & Pullum, P. A.  
P. O. Box 492160  
Leesburg, FL 34749-2160

THE UNITED STATE OF AMERICA  
IS IMMUNE FROM STATE  
TAXATION AND THEREFORE NO  
DOCUMENTARY STAMP TAXES ARE  
BEING PAID ON THIS TRANSFER



ROSA E. DONER  
Notary Public State of New York  
No. 4919171  
Qualified in Suffolk, NY Counties  
Commission Expires February 8, 1996

02/95

10:48

904 728 0003

12:17

SCHULTE ROTH & ZABEL + 212+596+8979

PULLUM & PULLUM

NO. 255

007

008

EXHIBIT "A"

BOOK 1351 PAGE 1648

PARCEL NO. 1

Well Site No. 2: That parcel of land depicted as Tract "O" Well site on the Plat of Harbor Hills Unit 1, a subdivision in Lake County, Florida, according to the plat thereof recorded in Plat Book 30, Pages 13 through 27, inclusive, Public Records of Lake County, Florida, said parcel being subsequently designated as Tract "P" by Surveyor's Affidavit filed to correct certain scrivener's errors and conflicts with Lake County's E911 System, said Affidavit being recorded in Official Records Book 1014, Pages 2259 to 2260, Public Records of Lake County, Florida.

PARCEL NO. 2

Well Site No. 1: A portion of Tract "K", Harbor Hills Unit 1, as recorded in Plat Book 30, Pages 13 through 27, inclusive, Public Records of Lake County, Florida, corrected by Surveyor's Affidavits filed in Official Records Book 1014, Page 2259-2260, and Official Records Book 1067, Pages 239 through 242, Public Records of Lake County, Florida, being more particularly described as follows: For a point of reference, begin at the intersection of the South right-of-way line of Lake Griffin Road and the East line of Section 13, Township 18 South, Range 24 East, as shown in the aforementioned Plat Book 30, at Page 25, proceed thence South 00° 19' 09" East along the East line of said Section 13, 235.00 feet to the point of beginning ("P.O.B."). From the P.O.B. thus described, proceed South 74° 31' 53" West 80.00 feet; thence North 15° 28' 07" West 50.00 feet; thence North 89° 40' 51" East to a point on the East line of said Section 13; thence South 00° 19' 09" East along said East line to the point of beginning.

Together with a non-exclusive easement for ingress and egress over, upon and across Tract "K", Harbor Hills Unit 1, as recorded in Plat Book 30, Pages 13 through 27, inclusive, Public Records of Lake County, Florida, corrected by Surveyor's Affidavits filed in Official Records Book 1014, Page 2259-2260, and Official Records Book 1067, Pages 239 through 242, Public Records of Lake County, Florida.

95 15029

REC-7 RECEIVED FOR  
TF 1.50 EXCISE TAXES  
DOC .70 JAMES C. WATKINS  
INT - CLERK LAKE CO FL  
BY *[Signature]* D.C.

QUIT-CLAIM DEED

THIS QUIT-CLAIM DEED, Executed this 21st day of February, 1995 by Harbor Hills Country Club, L.P., a Delaware Limited Partnership, doing business in the State of Florida as Harbor Hills Country Club, Ltd., first party, to Harbor Hills Utilities, L.P., a Delaware Limited Partnership, doing business in the State of Florida as Harbor Hills Utilities, Ltd, whose post office address is 6538 Lake Griffin Road, Lady Lake, FL 32159, second party: (Wherever used herein the terms "first party" and "second party" shall include singular and plural, heirs, legal representatives and assign of individuals, and the successors and assigns of corporations, wherever the context so admits or requires)

BOOK 135 PAGE 1644  
WITNESSETH, That the said first party, for and in consideration of the sum of \$10.00 in hand paid by the said second party, the receipt whereof is hereby acknowledged, does hereby remise, release and quit-claim unto the said second party forever, all the right, title, interest, claim and demand which the said first party has in and to the following described lot, piece or parcel of land, situate, lying and being in the County of Lake, State of Florida, to-wit:

A non-exclusive easement for ingress and egress over, upon and across Tract "K", Harbor Hills Unit 1, as recorded in Plat Book 30, Pages 13 through 27, inclusive, Public Records of Lake County, Florida, corrected by Surveyor's Affidavits filed in Official Records Book 1014, Page 2259-2260, and Official Records Book 1067, Pages 239 through 242, Public Records of Lake County, Florida.

TO HAVE AND TO HOLD the same together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said first party, either in law or equity, to the only proper use, benefit and behoof of the said second party forever.

IN WITNESS WHEREOF, The said first party has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in the presence of:

HARBOR HILL COUNTRY CLUB, L.P.,  
a Delaware limited partnership,  
doing business in the State of  
Florida as HARBOR HILLS  
COUNTRY CLUB, LTD.  
6538 Lake Griffin Road  
Lady Lake, FL 32159

By: *[Signature]*  
R. Scott Hutcheson,  
Assistant Vice-President  
H.H.C.C., Inc.  
General Partner

*[Signature]*  
MARCIA L. HALLOAN

*[Signature]*  
Mary B. Meadows

STATE OF FLORIDA  
COUNTY OF LAKE

The foregoing instrument was acknowledged before me this 11th day of March, 1995, by R. Scott Hutcheson, Assistant Vice-President of H.H.C.C., Inc., General Partner of Harbor Hills Country Club, L.P., a Delaware limited partnership,

RECORDED  
RECORD VERIFIED  
MAY 11 1995  
CLERK CHIEF CLERK

doing business in the State of Florida as Harbor Hills Country Club, Ltd. He is personally known to me and did not take an oath.

*Mary B. Meadows*  
Notary Public, Florida  
My Commission Expires:

BOOK 1351 PAGE 1645

BY/RETURN TO:  
Marybeth L. Pullum  
Marybeth L. Pullum, P. A.  
Box 492160  
Lecoma, Florida 34749-2160  
(HBU-QCB)

OFFICIAL NOTARY SEAL  
MARY B MEADOWS  
NOTARY PUBLIC STATE OF FLORIDA  
COMMISSION NO. CC266269  
MY COMMISSION EXP. MAR. 21, 1997

**EXHIBIT P**  
**Rule 25-30.037 (2)(s)**

**Sample tariff sheets for each system proposed to be transferred reflecting the change in ownership, the existing rates and charges, and the territorial descriptions for each water and wastewater system.**

See attached sample tariffs as listed below:

Volume I – Section V, Third Revised Sheet 1.2 – Index of Rate Charges

Volume I–Section V, Original Sheet No.75.1 - Rate Schedule: Residential Service (RS)

Volume I–Section V, Original Sheet No. 75.2 - Rate Schedule: General Service (GS) & Multi-Family (MF)

Volume I-Section VI, Original Sheet No. 40.0 – Service Availability Charges

Volume I – Section VII, Fifth Revised Sheet No. 1.0 – Miscellaneous Service Charges Index

Volume I-Section VII, Original Sheet No. 2.9 – Miscellaneous Service Charges

AUF will provide the territory description sheets upon approval of the transfer.

**INDEX OF RATE SCHEDULES**

*(Continued from Section V Sheet No. 1.1)*

GS = General Service

MF = Multi-Family Master Meter

PF = Private Fire Protection

RS = Residential Service

<b><u>Plant</u></b>	<b><u>County</u></b>	<b><u>Schedules</u></b>	<b><u>Sheet Nos.</u></b>
Breeze Hill	Polk	RS, GS	50.1, 50.2
Chuluota	Seminole	RS, GS, PF	60.1, 60.2, 60.3
Fairways	Lake	RS, GS, IR	70.1, 70.2, 70.3
Harbor Hills	Lake	RS, GS	75.1, 75.2
Peace River Heights	Hardee	RS, GS, PF	80.1, 80.2, 80.3

---

**RATE SCHEDULE: HARBOR HILLS**  
**RESIDENTIAL SERVICE (RS)**

**AVAILABILITY:** Available throughout the area served by the Company in the Harbor Hills service area of Lake County.

**APPLICABILITY:** For water service for all purposes in private residences and individually metered apartment units.

**LIMITATIONS:** Subject to all of the Company's Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

**BILLING PERIOD:** Monthly.

**RATE:**

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" X 3/4"	\$ 17.17
3/4"	\$ 25.74
1"	\$ 42.91
1-1/2"	\$ 85.81
2"	\$ 137.30
3"	\$ 274.60
4"	\$ 429.06
6"	\$ 858.11

**GALLONAGE CHARGE:** Per 1,000 gallons \$ 1.23

**MINIMUM CHARGE:** Base Facility Charge.

**TERMS OF PAYMENT:** Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days' written notice is mailed to the Customer separate and apart from any other bill, service may then be discontinued.

**TYPE OF FILING:** Transfer of Ownership

**EFFECTIVE DATE:**

---

Jack Lihvarcik  
Chief Operating Officer

---

**RATE SCHEDULE: HARBOR HILLS**  
**GENERAL SERVICE (GS) and MULTI-FAMILY (MF)**

**AVAILABILITY:** Available throughout the area served by the Company in the Harbor Hills service area of Lake County.

**APPLICABILITY:** For water service to all Customers for which no other schedule applies.

**LIMITATIONS:** Subject to all of the Company's Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

**BILLING PERIOD:** Monthly.

**RATE:**

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" X 3/4"	\$ 17.17
3/4"	\$ 25.74
1"	\$ 42.91
1-1/2"	\$ 85.81
2"	\$ 137.30
3"	\$ 274.60
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**GALLONAGE CHARGE:** Per 1,000 gallons \$ 1.23

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**TYPE OF FILING:** Transfer of Ownership

**EFFECTIVE DATE:**

---

Jack Lihvarcik  
Chief Operating Officer

---

**SERVICE AVAILABILITY CHARGES**

**AVAILABILITY:**

Harbor Hills in Lake County, Florida

**CHARGES:**

**Main Extension Charges:**

Residential - per ERC	\$457.00
All Others – per gallon	\$ 1.3058
Or	
Residential – per lot (140 ft. frontage)	\$457.00

**Meter Installation Charges:**

5/8" x 3/4"	\$ 85.00
1"	\$ 85.00
All other meter sizes	Actual Cost

**Plant Capacity Charges:**

Residential - per ERC	\$263.00
All Others – per gallon	\$ 0.75

**Stand Alone Backflow Prevention Device:**

All Types	Owner Installed
-----------	-----------------

**TYPE OF FILING**      Transfer Application

**EFFECTIVE DATE**

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**INDEX OF MISCELLANEOUS SECTION**

	<u>Sheet Number</u>
<b>Index of Miscellaneous Section</b> .....	1.0
<b>Customer Deposit</b> .....	3.0 - 3.3
<b>Meter Test Deposit</b> .....	4.0
<b>Miscellaneous Service Charges (Generic)</b> .....	2.0
<b>Miscellaneous Service Charges (Specific Systems)</b>	
Breeze Hill in Polk County .....	2.4
Fairways in Lake County .....	2.8
Harbor Hills in Lake County .....	2.9
<b>Returned Check Charge</b> .....	4.0
<b>Standard Forms</b>	
Application for Service .....	8.0
Customer's Guarantee Deposit and/or Service Charge Receipt .....	10.0
Requirements for Reclaimed Water Service .....	12.0
Sample of Customer Bill .....	9.0
Service Availability Fees Receipt .....	11.0

TYPE OF FILING           Original in Existence

EFFECTIVE DATE

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**MISCELLANEOUS SERVICE CHARGES**

**APPLICABILITY:** For the following services to all Customers within the system of Harbor Hills in Lake County.

1. **Initial Connection** - This charge would be levied for service initiation at a location where service did not exist previously.
2. **Normal Reconnection** - This charge would be levied for transfer of service to a new Customer account at a previously served location, or reconnection of service subsequent to a Customer requested disconnection.
3. **Violation Reconnection** - This charge would be levied each time service has to be disconnected or reconnected for existing Customers who have been disconnected for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.
4. **Premise Visit Charge (In Lieu Of Disconnection)** - This charge would be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

**CHARGES:**

<b><u>Type of Service</u></b>	<b><u>Fee</u></b>
Initial Connection	\$15.00
Normal Reconnection	\$15.00
Violation Reconnection	\$15.00
Premises Visit (in lieu of disconnection)	\$10.00

**TYPE OF FILING** Transfer Application

**EFFECTIVE DATE**

---

**Jack Lihvarcik  
Chief Operating Officer**

**EXHIBIT Q**  
**Rule 25-30.037 (2)(t)**

**The current water and certificate issued for each system, and where not available, a statement providing an explanation of the steps taken by AUF to obtain the certificates.**

AUF has requested Certificate No. 522-W; however, the prior owners have not been able to locate the certificate.

**EXHIBIT R**  
**Rule 25-30.036(3)(d)**

**Evidence that the utility owns the land upon which the utility treatment facilities that will serve the proposed territory are located or a copy of an agreement, such as a 99-year lease, which provides for the continued use of the land.**

See Exhibit "O".

## **EXHIBIT S**

**A description of the territory proposed to be served using township, range and section references as specified in Rule 25-30.030 (2).**

Attached as Appendix I is a detail system map for water which shows the township, range, and section. The map also includes the territorial legal description and the existing lines and facilities.

**EXHIBIT T**  
**Rule 25-30.036 (3)(r)**

**An affidavit that the utility has tariffs and annual reports on file with the Commission.**

Attached is an affidavit of John M. Lihvarcik, Chief Operating Officer of AUF, affirming that AUF has tariffs and an annual report on file with the Commission.

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Aqua Utilities Florida, Inc.'s Application )  
for Approval of Transfer of Harbor Hills Utilities, L.P.) Docket No. \_\_\_\_\_  
Water System and Amendment of Certificate in )  
Lake County, FL ) Filed: January 7, 2011  
\_\_\_\_\_)

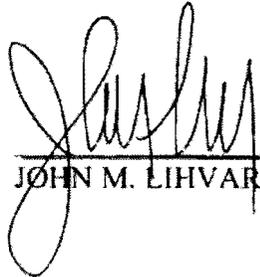
**AFFIDAVIT**

STATE OF FLORIDA:  
COUNTY OF LAKE:

BEFORE ME, the undersigned authority, personally appeared John M. Lihvarcik, who after being duly sworn, deposes and says:

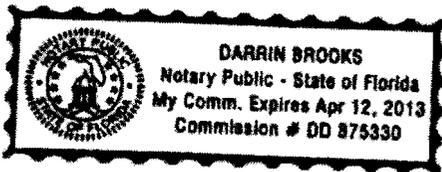
1. That I, John M. Lihvarcik, in my capacity as Vice President and Chief Operating Officer of Aqua Utilities Florida, Inc., in accordance with Rule 25-30.036(3)(r), Florida Administrative Code, do solemnly swear or affirm that Aqua Utilities Florida, Inc. has tariffs and current annual reports on file with the Florida Public Service Commission.

2. Further Affiant Sayeth Not.

  
\_\_\_\_\_  
JOHN M. LIHVARCİK

STATE OF FLORIDA:  
COUNTY OF LAKE:

Subscribed and sworn to before me this 7<sup>TH</sup> day of January, 2011, by John M. Lihvarcik, who is personally known to me.



  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: 4/12/2013

**EXHIBIT U**  
**Rule 25-30.036 (3)(q)**

**The number of the most recent order of the Commission establishing or changing the applicant's rates and charges.**

Commission Order No. PSC-07-0773-FOF-WS, issued May 29, 2009, in Docket No. 100330-WS, established AUF's current rates and charges.

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Joint application for acknowledgment of corporate reorganization and request for approval of name change on Certificate 268-S in Lee County from AquaSource Utility, Inc. d/b/a Aqua Utilities Florida, Inc.; Certificates 479-S and 549-W in Alachua County from Arredondo Utility Company, Inc. d/b/a Aqua Utilities Florida, Inc.; Certificates 053-W, 441-S, and 507-W in Palm Beach and Sumter Counties from Crystal River Utilities, Inc. d/b/a Aqua Utilities Florida, Inc.; and Certificate 346-W in Marion County from Ocala Oaks Utilities, Inc. d/b/a Aqua Utilities Florida, Inc. to Aqua Utilities Florida, Inc.; for cancellation of Certificates 424-W, 371-S, 441-W, 503-S, and 585-W in Highlands, Lake, and Polk Counties held by AquaSource Utility, Inc. d/b/a Aqua Utilities Florida, Inc.; Certificates 123-W, 510-S, and 594-W in Lake and Polk Counties held by Crystal River Utilities, Inc. d/b/a Aqua Utilities Florida, Inc.; and Certificates 083-S and 110-W in Pasco County held by Jasmine Lakes Utilities Corporation d/b/a Aqua Utilities Florida, Inc.; and for amendment of Certificates 422-W, 120-S, 106-W, 154-S, 209-W, 506-S, and 587-W in Highlands, Lake, Pasco, and Polk Counties held by Aqua Utilities Florida, Inc.

DOCKET NO. 060643-WS  
ORDER NO. PSC-06-0973-FOF-WS  
ISSUED: November 22, 2006

ORDER ACKNOWLEDGING CORPORATE REORGANIZATION  
AND APPROVING NAME CHANGE

BY THE COMMISSION:

On September 25, 2006, AquaSource Utility, Inc. (AquaSource), Arredondo Utility Company, Inc. (Arredondo), Crystal River Utilities, Inc. (Crystal River), Jasmine Lakes Utilities Corporation (Jasmine Lakes), Ocala Oaks Utilities, Inc. (Ocala Oaks), and Aqua Utilities Florida, Inc. (Aqua Utilities FL) filed a joint application for acknowledgement of corporate reorganization and approval of name change. AquaSource, Arredondo, Crystal River, Jasmine Lakes, and Ocala Oaks currently operate under the Commission-approved d/b/a of Aqua Utilities Florida, Inc. The mailing address for the applicants was given as 6960 Professional Parkway

DOCUMENT NUMBER-DATE

10747 NOV 22 06

FPSC-COMMISSION CLERK

East, Sarasota, FL 34240. Prior to the reorganization and name change, the applicants' full name, business entity, certificate number(s), and county(ies) of operation were as follows:

<b>Company Name</b>	<b>Business Entity</b>	<b>Certificate No.</b>	<b>County</b>
AquaSource Utility, Inc. d/b/a Aqua Utilities Florida, Inc.	Texas Corporation	424-W 371-S, 441-W 268-S 503-S, 585-W	Highlands Lake Lee Polk
Arredondo Utility Company, Inc. d/b/a/ Aqua Utilities Florida, Inc.	Florida Corporation	479-S, 549-W	Alachua
Crystal River Utilities, Inc. d/b/a Aqua Utilities Florida, Inc.	Florida Corporation	123-W 053-W 510-S, 594-W 441-S, 507-W	Lake Palm Beach Polk Sumter
Jasmine Lakes Utilities Corporation d/b/a Aqua Utilities Florida, Inc.	Florida Corporation	083-S, 110-W	Pasco
Ocala Oaks Utilities, Inc. d/b/a Aqua Utilities Florida, Inc.	Florida Corporation	346-W	Marion
Aqua Utilities Florida, Inc.	Florida Corporation	2-W 359-S, 422-W 120-S, 106-W 84-W 154-S, 209-W 506-S, 587-W 284-S, 76-W 226-S, 279-W 182-S, 238-W 435-S, 501-W	Brevard Highlands Lake Orange Pasco Polk Putnam Seminole Volusia Washington

After the reorganization and name change, all of the applicants will be owned and operated under the name of Aqua Utilities Florida, Inc., the existing Florida corporation herein identified as Aqua Utilities FL. As a result, the certificated names for Arredondo, AquaSource, Ocala Oaks, and Crystal River (479-S, 549-W, 268-S, 346-W, 53-W, 441-S and 507-W) in Alachua, Lee, Marion, Palm Beach, and Sumter Counties should be changed to Aqua Utilities Florida, Inc., as follows:

<b>Current Name</b>	<b>Certificate No. and County</b>	<b>Name Change</b>
Arredondo	479-S in Alachua	Aqua Utilities Florida, Inc.
Arredondo	549-W in Alachua	Aqua Utilities Florida, Inc.
AquaSource	268-S in Lee	Aqua Utilities Florida, Inc.

Ocala Oaks	346-W in Marion	Aqua Utilities Florida, Inc.
Crystal River	53-W in Palm Beach	Aqua Utilities Florida, Inc.
Crystal River	441-S in Sumter	Aqua Utilities Florida, Inc.
Crystal River	507-W in Sumter	Aqua Utilities Florida, Inc.

In addition, consistent with Commission practice, the certificates for AquaSource, Crystal River, and Jasmine Lakes (424-W, 371-S, 441-W, 123-W, 83-S, 110-W, 503-S, 510-S, 585-W, and 594-W) in Highlands, Lake, Pasco, and Polk Counties should be cancelled and the certificates for Aqua Utilities Florida, Inc. (422-W, 120-S, 106-W, 154-S, 209-W, 506-S, 587-W) in those counties should be amended to include the territories of the cancelled certificates as follows:

Current Name	Certificate No. and County	Action
AquaSource	424-W in Highlands	Cancelled
Aqua Utilities Florida, Inc.	422-W in Highlands	Amended
AquaSource	371-S in Lake	Cancelled
Aqua Utilities Florida, Inc.	120-S in Lake	Amended
AquaSource	441-W in Lake	Cancelled
Crystal River	123-W in Lake	Cancelled
Aqua Utilities Florida, Inc.	106-W in Lake	Amended
Jasmine Lakes	83-S in Pasco	Cancelled
Aqua Utilities Florida, Inc.	154-S in Pasco	Amended
Jasmine Lakes	110-W in Pasco	Cancelled
Aqua Utilities Florida, Inc.	209-W in Pasco	Amended
AquaSource	503-S in Polk	Cancelled
Crystal River	510-S in Polk	Cancelled
Aqua Utilities Florida, Inc.	506-S in Polk	Amended
AquaSource	585-W in Polk	Cancelled
Crystal River	594-W in Polk	Cancelled
Aqua Utilities Florida, Inc.	587-W in Polk	Amended

Finally, for informational purposes, the certificates currently held by Aqua Utilities Florida, Inc. which are not affected by the corporate reorganization and name change are as follows:

Current Name	Certificate No. and County	Action
Aqua Utilities Florida, Inc.	2-W in Brevard	Unchanged
Aqua Utilities Florida, Inc.	359-S in Highlands	Unchanged
Aqua Utilities Florida, Inc.	84-W in Orange	Unchanged
Aqua Utilities Florida, Inc.	284-S in Putnam	Unchanged
Aqua Utilities Florida, Inc.	76-W in Putnam	Unchanged
Aqua Utilities Florida, Inc.	226-S in Seminole	Unchanged
Aqua Utilities Florida, Inc.	279-W in Seminole	Unchanged

Aqua Utilities Florida, Inc.	182-S in Volusia	Unchanged
Aqua Utilities Florida, Inc.	238-W in Volusia	Unchanged
Aqua Utilities Florida, Inc.	435-S in Washington	Unchanged
Aqua Utilities Florida, Inc.	501-W in Washington	Unchanged

Attachment A shows the applicants' organizational structure before the reorganization, and Attachment B shows the applicants' organizational structure after the reorganization. Aqua America, Inc. (Aqua America) is a Pennsylvania corporation and the parent company of Aqua Utilities FL and AquaSource. Aqua Utilities FL is the entity that purchased the remaining assets of Florida Water Services Corporation on June 30, 2004. That transfer was approved by the Commission in Order No. PSC-05-1242-PAA-WS, issued December 20, 2005, in Docket Nos. 040951-WS and 040952-WS, In re: Joint application for approval of sale of Florida Water Services Corporation's land, facilities, and certificates in Brevard, Highlands, Lake, Orange, Pasco, Polk, Putnam, a portion of Seminole, Volusia, and Washington counties to Aqua Utilities Florida, Inc.

Prior to the reorganization, in addition to directly owning Commission-regulated assets in Highland, Lake, Lee, and Polk Counties, AquaSource also owned the Commission-regulated subsidiaries of Arredondo, Jasmine Lakes, Ocala Oaks, and Crystal River (in Lake, Palm Beach, Polk and Sumter Counties) as well as the non-Commission-regulated subsidiaries of Crystal River in Citrus County, Dolomite Utilities Corporation (Dolomite) in Sarasota County and Lake Suzy Utilities, Inc. (Lake Suzy) in DeSoto County. The purpose of the reorganization was to consolidate and segregate all of Aqua America's Commission-regulated water and wastewater assets in Florida under the ownership and name of its Florida corporation, Aqua Utilities FL. Aqua America's non-Commission regulated Florida assets of Crystal River (Citrus), Dolomite, and Lake Suzy<sup>1</sup> are to remain under Aqua America's Texas corporation, AquaSource, which name has been changed to Aqua Utilities, Inc.

We note that AquaSource's name change to Aqua Utilities, Inc. was recognized by the State of Florida, Division of Corporations, effective March 2, 2006. Section 367.1214, Florida Statutes, requires that a utility notify the Commission and its customers before changing its name. However, as previously noted, AquaSource had been authorized to do business in Florida under the fictitious name of Aqua Utilities Florida, Inc.,<sup>2</sup> which d/b/a is still actively recorded.

<sup>1</sup> Pursuant to Order No. PSC-05-0313-FOF-WS, issued March 21, 2005, in Docket No. 041294-WS, In Re: Transfer of water and wastewater service areas from Lake Suzy Utilities, Inc. d/b/a Aqua Utilities Florida, Inc. to DeSoto County, and cancellation of Certificate Nos. 599-W and 514-S in Charlotte and DeSoto Counties, Lake Suzy will cease to be regulated by the Commission upon confirmation of the transfer to DeSoto and, thus, was not included in the reorganization.

<sup>2</sup> Order No. PSC-04-0715-FOF-WS, issued July 21, 2004, in Docket No. 040359-WS, In Re: Application for authority to operate under fictitious name, Aqua Utilities Florida, Inc., by AquaSource Utility, Inc., holder of Certificates 268-S, 503-S, 585-W, 371-S, 441-W, and 424-W; Arredondo Utility Company, Inc., holder of Certificate Nos. 549-W and 479-S; Crystal River Utilities, Inc., holder of Certificate Nos. 441-S, 507-W, 510-S, 594-W, 396-W, 123-W, and 053-W; Jasmine Lakes Utilities Corporation, holder of Certificate Nos. 110-W and 083-S; Lake Suzy Utilities, Inc., holder of Certificate Nos. 514-S and 599-W; and Ocala Oaks Utilities, Inc., holder of Certificate No. 346-W.

Therefore, at no time was AquaSource operating in Florida under a name different than that by which it was known with respect to the State of Florida, the Commission, and its customers. As such, the utility did not violate the intent or purpose of Section 367.1214, Florida Statutes. However, the utility is reminded that it must notify the Commission of any future changes to its name, whether corporate or fictitious.

Through Articles of Merger filed with the Florida Department of State, Division of Corporations, on September 29, 2006 and October 16, 2006, Arredondo, Jasmine Lakes, and Ocala Oaks were merged into Aqua Utilities FL which, as the surviving corporation, succeeded all rights, title, and interests of Arredondo, Jasmine Lakes, and Ocala Oaks, which then ceased to exist. Because Crystal River and Aqua Utilities, Inc. (f/n/a AquaSource) owned systems in Florida counties not regulated by the Commission, those corporations were not merged with Aqua Utilities FL. Instead, their Commission-regulated assets were transferred to Aqua Utilities FL. These transfers were accomplished by means of a Bill of Sale and Assignment and Assumption Agreement executed separately between each entity and Aqua Utilities FL, along with Quitclaim Deeds conveying the associated real property effective October 1, 2006. Since these transfers were the result of a reorganization between subsidiaries of Aqua America, overall ownership and control of the assets remained unchanged.

Through these mergers and transfers, all Commission-regulated water and wastewater assets in Florida owned by Aqua America have now been consolidated and segregated under its Florida subsidiary corporation, Aqua Utilities FL, as was the intent of the reorganization. The application contained documents showing recognition of the applicants' Articles of Merger by the Florida Department of State, Division of Corporations. The application also contained affidavits by an officer of the applicants' corporations attesting that ownership and control of the applicants' corporations will not change as a result of the restructuring and requested name change. The application further indicates that management operations, customer service, mailing addresses, and telephone numbers for each of the systems will remain the same after the reorganization.

Finally, the application contained a proposed customer notice and revised tariffs reflecting the name change and also returned the applicants' certificates. The applicants' proposed notice shall be given to all existing customers in the first billing cycle after the name change is approved by the Commission, herein. The revised tariffs shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, Florida Administrative Code. Attachment C contains the certificates affected by the reorganization and name change. The resultant order shall serve as Aqua Utilities FL's amended certificates and, as such, the order shall be retained by the utility.

The application provides sufficient documentation that neither ownership or control or transfer of assets is involved. Therefore, the applicants' corporate reorganization is hereby acknowledged and request for name change is approved effective the date of this order. The applicants' approved notice of name change shall be sent to all existing customers with the next regular billing after the order is issued. The revised tariffs shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets pursuant

to Rule 25-30.475, Florida Administrative Code. The resultant order shall serve as Aqua Utilities Florida, Inc.'s amended certificates and, as such, it shall be retained by the utility.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the corporate reorganization is hereby acknowledged and request for name change is approved for Aqua Utilities Florida, Inc., effective the date of this order. It is further

ORDERED that the approved notice of name change shall be sent to all existing customers with the next regular billing after the order is issued. It is further

ORDERED that Aqua Utilities Florida, Inc., shall be on notice that it shall notify the Commission of any future name changes, whether corporate or fictitious. It is further

ORDERED that the revised tariffs shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, Florida Administrative Code. It is further

ORDERED that the resultant order shall serve as Aqua Utilities Florida, Inc.'s amended certificates and, as such, it shall be retained by the utility. It is further

ORDRED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 22nd day of November, 2006.

BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records

(SEAL)

JSB

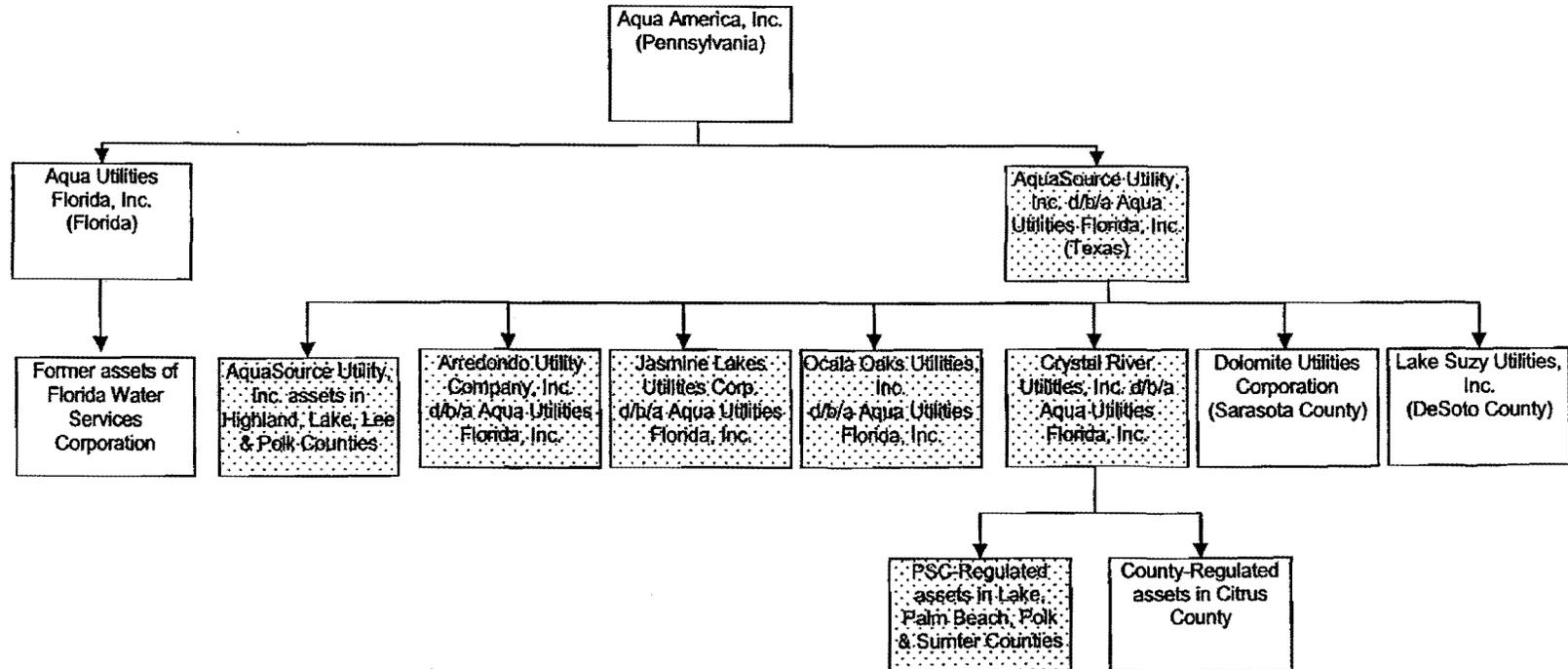
NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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.

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 Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services 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.

### FLORIDA CONSOLIDATION LEGAL ENTITIES – “BEFORE”

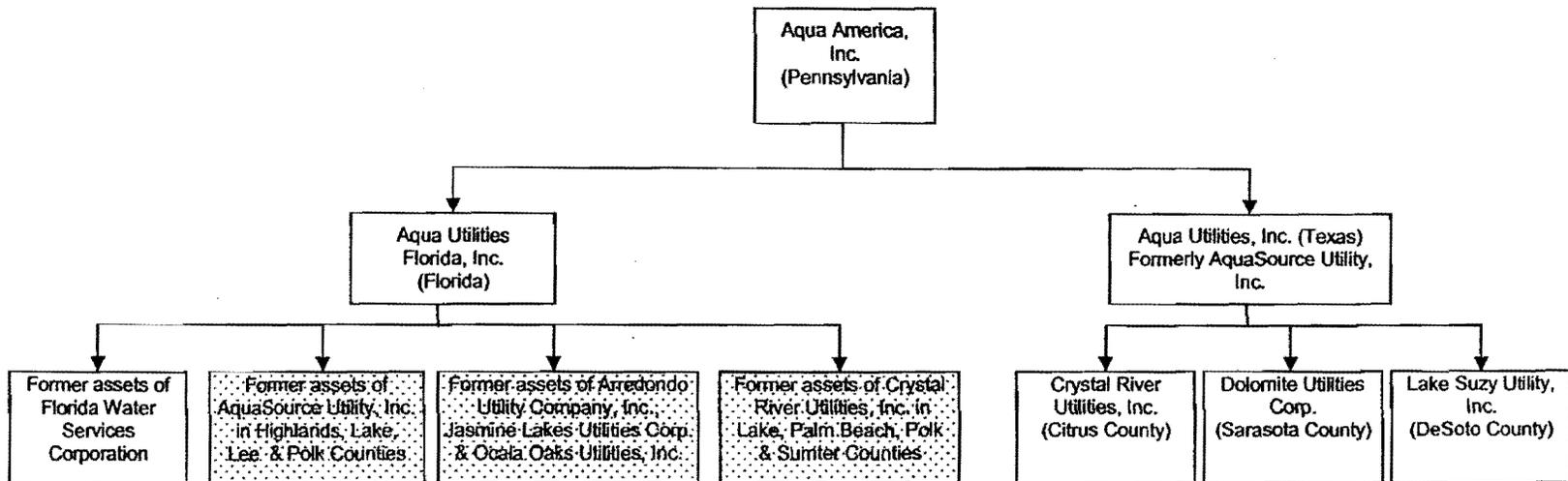


Entities/assets impacted by current reorganization



Entities/assets not impacted by current reorganization

### FLORIDA CONSOLIDATION LEGAL ENTITIES – “AFTER”



Entities/assets impacted by current reorganization



Entities/assets not impacted by current reorganization

**REVISED CERTIFICATES**

for

**AQUA UTILITIES FLORIDA, INC**

<b>479-S</b>	<b>Alachua County</b>	<b>Name Change</b>
<b>549-W</b>	<b>Alachua County</b>	<b>Name Change</b>
<b>422-W</b>	<b>Highlands County</b>	<b>Amendment</b>
<b>120-S</b>	<b>Lake County</b>	<b>Amendment</b>
<b>106-W</b>	<b>Lake County</b>	<b>Amendment</b>
<b>268-S</b>	<b>Lee County</b>	<b>Name Change</b>
<b>346-W</b>	<b>Marion County</b>	<b>Name Change</b>
<b>53-W</b>	<b>Palm Beach County</b>	<b>Name Change</b>
<b>154-S</b>	<b>Pasco County</b>	<b>Amendment</b>
<b>209-W</b>	<b>Pasco County</b>	<b>Amendment</b>
<b>506-S</b>	<b>Polk County</b>	<b>Amendment</b>
<b>587-W</b>	<b>Polk County</b>	<b>Amendment</b>
<b>441-S</b>	<b>Sumter County</b>	<b>Name Change</b>
<b>507-W</b>	<b>Sumter County</b>	<b>Name Change</b>

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 479-S**

to provide wastewater service in Alachua 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-92-1454-FOF-WS	12/15/92	920973-WS	Original Certificate
PSC-99-0481-FOF-WS	03/08/99	981509-WS	Transfer of Majority Control
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 549-W**

to provide water service in Alachua 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-92-1454-FOF-WS	12/15/92	920973-WS	Original Certificate
PSC-99-0481-FOF-WS	03/08/99	981509-WS	Transfer of Majority Control
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 422-W**

to provide water 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>
12879	01/13/84	830336-WS (AP)	Original Certificate
12989	02/13/84	830083-W (AP)	Original Certificate
22916	05/09/90	891250-WS	Transfer of Certificate
PSC-97-0427-FOF-WS	04/16/97	970028-WS	Name Change
PSC-00-1389-PAA-WU	07/31/00	991001-WU	Transfer/Amendment
PSC-01-0631-FOF-WU	03/14/01	001585-WU	Amendment
PSC-02-0651-PAA-WU	05/13/02	011401-WU	Transfer/Amendment
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-05-1242-PAA-WS	12/20/05	040951-WS	Transfer of Certificate
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 120-S**

to provide wastewater service in Lake 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>
6142	05/14/74	73521-WS	Original Certificate
8299	05/05/78	780057-WS (TC)	Transfer of Certificate
9635	11/14/80	800192-WS (AP)	Original Certificate
10109	06/29/81	800636-WS (TC)	Transfer/Amendment
10109-A	07/31/81	800636-WS (MC)	Amendatory
14115	02/21/85	840304-WS	Original Certificate
19575	06/27/88	870633-WS	Transfer of Certificate
20869	03/09/89	880605-WS	Transfer/Amendment
23378	08/21/90	900106-WS	Transfer/Amendment
PSC-95-0268-FOF-WS	02/28/95	940091-WS	Transfer/Amendment
PSC-96-0131-FOF-WS	01/29/96	950231-WS	Amendment
PSC-97-0427-FOF-WS	04/16/97	970028-WS	Name Change
PSC-99-2115-PAA-WS	10/25/99	981779-WS	Transfer of Certificate
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-05-1242-PAA-WS	12/20/05	040951-WS	Transfer of Certificate
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 106-W**

to provide water service in Lake 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>
5573	11/03/72	C-72497-W	Original Certificate
5595	12/07/72	C-72505-W	Original Certificate
5666	03/06/73	C-72651-W	Original Certificate
6801	07/25/75	750327-W (AP)	Original Certificate
6928	09/30/75	750367-W	Original Certificate
8075	12/02/77	770578-W (TC)	Transfer/Amendment
8076	12/02/77	770577-W (TC)	Transfer/Amendment
8144	01/25/78	770579-W (TC)	Transfer/Amendment
8299	05/05/78	780057-WS (TC)	Transfer/Amendment
9483	08/05/80	791043-W	Transfer/Amendment
9635	11/14/80	800192-WS (AP)	Original Certificate
9688	12/10/80	791043-W (TC)	Amendatory
9988	05/05/81	780278-WS (TC)	Transfer/Amendment
10109	06/29/81	800636-WS (TC)	Transfer/Amendment
10109-A	07/31/81	800636-WS (MC)	Amendatory
14115	02/21/85	840304-WS	Original Certificate
15295	10/25/85	850695-WU	Amendment
19575	06/27/88	870633-WS	Transfer of Certificate
20647	01/24/89	881011-WU	Transfer/Amendment
20869	03/09/89	880605-WS	Transfer/Amendment
21636	07/31/89	890348-WU	Transfer/Amendment
23378	08/21/90	900106-WS	Transfer/Amendment
23459	09/11/90	900227-WU	Amendment
23505	09/18/90	900556-WU	Amendment
23656	10/23/90	891320-WU	Amendment
23852	12/10/90	900556-WU	Affirmation of Amendment
24230	03/12/91	900702-WU	Amendment

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilites Florida, Inc.**  
pursuant to  
**Certificate Number 106-W**  
**(Page 2)**

to provide water service in Lake 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-93-0754-FOF-WU	05/18/93	921044-WU	Amendment
PSC-93-0754-A-FOF-WU	06/07/93	921044-WU	Amendatory
PSC-93-1150-FOF-WU	08/09/93	930129-WU	Amendment
PSC-93-1306-FOF-WU	09/08/93	930129-WU	Amendment
PSC-95-0268-FOF-WS	02/28/95	940091-WS	Transfer/Amendment
PSC-96-0131-FOF-WS	01/29/96	950231-WS	Amendment
PSC-96-0432-FOF-WU	03/28/96	950880-WU	Transfer/Amendment
PSC-96-1409-FOF-WU	11/20/96	960716-WU	Transfer of Certificate
PSC-97-0375-FOF-WU	04/07/97	960793-WU	Transfer/Amendment
PSC-97-0427-FOF-WS	04/16/97	970028-WS	Name Change
PSC-99-0483-FOF-WS	03/08/99	981508-WS	Transfer of Majority Control
PSC-99-2115-PAA-WS	10/25/99	981779-WS	Transfer of Certificate
PSC-02-1427-FOF-WU	10/18/02	990054-WU	Amendment/Deletion
PSC-03-0627-FOF-WU	05/23/03	021142-WU	Amendment
PSC-03-1235-FOF-WU	11/03/03	021137-WU	Amendment
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-05-1242-PAA-WS	12/20/05	040951-WS	Transfer of Certificate
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 268-S**

to provide wastewater service in Lee 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>
8851	04/27/79	780586-S (AP)	Original Certificate
8851-A	05/09/79	780586-S (AP)	Amendatory
25242	10/22/91	910858-SU	Amendment
PSC-93-1487-FOF-SU	10/12/93	930673-SU	Amendment
PSC-99-1910-PAA-SU	09/27/99	982017-SU	Transfer of Certificate
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 346-W**

to provide water service in Marion 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>
10471	12/23/81	810470-W (AP)	Original Certificate
12455	09/07/83	830283-W (EX)	Amendment
14000	01/14/85	840107-WU	Amendment
14178	03/14/85	850047-WU	Amendment
14474	06/17/85	850119-WU	Amendment
15294	10/24/85	850449-WU	Amendment
16487	08/19/86	860923-WU	Amendment
22978	05/24/90	900074-WU	Amendment
PSC-93-0343-FOF-WU	03/08/93	921071-WU	Amendment
PSC-94-0988-FOF-WU	08/15/94	930950-WU	Transfer/Amendment
PSC-99-1925-PAA-WU	09/28/99	981030-WU	Transfer/Amendment
PSC-99-2499-FOF-WU	12/21/99	981907-WU	Transfer of Majority Control
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 53-W**

to provide water service in Palm Beach 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>
5298	01/12/72	C-71484-W	Original Certificate
5434	05/30/72	72301-W	Transfer of Certificate
5538	10/03/72	T-72495-W	Transfer of Certificate
PSC-97-1149-FOF-WU	09/30/97	961535-WU	Transfer of Certificate
PSC-99-0483-FOF-WS	03/08/99	981508-WS	Transfer of Majority Control
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 154-S**

to provide wastewater service in Pasco 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>
5605	12/27/72	C-72657-S	Original Certificate
6506	02/11/75	74091-S	Original Certificate
6506-A	06/29/84	74091-S	Amendatory
18243	10/05/87	870572-WS	Transfer of Certificate
20140	10/10/88	880472-WS	Transfer of Certificate
21146	04/28/89	890202-WS	Amendment
23728	11/07/90	900291-WS	Transfer of Certificate
PSC-97-0427-FOF-WS	04/16/97	970028-WS	Name Change
PSC-99-0482-FOF-WS	03/08/99	981780-WS	Transfer of Majority Control
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-05-1242-PAA-WS	12/20/05	040951-WS	Transfer of Certificate
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 209-W**

to provide water service in Pasco 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>
5605	12/27/72	C-72656-W	Original Certificate
6506	02/11/75	74090-W	Original Certificate
6506-A	06/29/84	74090-W	Amendatory
18243	10/05/87	870572-WS	Transfer of Certificate
20140	10/10/88	880472-WS	Transfer of Certificate
21146	04/28/89	890202-WS	Amendment
23728	11/07/90	900291-WS	Transfer of Certificate
PSC-97-0427-FOF-WS	04/16/97	970028-WS	Name Change
PSC-99-0482-FOF-WS	03/08/99	981780-WS	Transfer of Majority Control
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-05-1242-PAA-WS	12/20/05	040951-WS	Transfer of Certificate
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 506-S**

to provide wastewater service in Polk 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-96-1568-FOF-WS	12/23/96	960989-WS	Grandfather Certificate
PSC-96-1568-A-FOF-WS	12/24/96	960989-WS	Amendatory
PSC-97-0376-FOF-WS	04/07/97	960909-WS	Grandfather Certificate
PSC-97-0427-FOF-WS	04/16/97	970028-WS	Name Change
PSC-98-0371-FOF-WS	03/06/98	961014-WS	Grandfather Certificate
PSC-99-0483-FOF-WS	03/08/99	981508-WS	Transfer of Majority Control
PSC-99-1882-PAA-WS	09/21/99	981697-WS	Transfer of Certificate
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-05-1242-PAA-WS	12/20/05	040951-WS	Transfer of Certificate
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 587-W**

to provide water service in Polk 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-96-1568-FOF-WS	12/23/96	960989-WS	Grandfather Certificate
PSC-96-1568-A-FOF-WS	12/24/96	960989-WS	Amendatory
PSC-97-0376-FOF-WS	04/07/97	960909-WS	Grandfather Certificate
PSC-97-0427-FOF-WS	04/16/96	970028-WS	Name Change
PSC-98-0371-FOF-WS	03/06/98	961014-WS	Grandfather Certificate
PSC-99-0483-FOF-WS	03/08/99	981508-WS	Transfer of Majority Control
PSC-99-1882-PAA-WS	09/21/99	981697-WS	Transfer of Certificate
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-04-0859-FOF-WU	09/02/04	040484-WU	Amendment
PSC-05-1242-PAA-WS	12/20/05	040951-WS	Transfer of Certificate
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 441-S**

to provide wastewater service in Sumter 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>
19848	08/22/88	880013-WS	Grandfather Certificate
20518	12/23/88	880485-SU	Transfer of Certificate
PSC-92-1113-FOF-WS	10/05/92	920176-WS	Transfer of Certificate
PSC-93-1418-FOF-WS	09/29/93	930614-WS	Name Change
PSC-96-0666-FOF-WS	05/14/96	951330-WS	Transfer of Majority Control
PSC-97-0312-FOF-WS	03/24/97	960643-WS	Transfer of Certificate
PSC-99-0483-FOF-WS	03/08/99	981508-WS	Transfer of Majority Control
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

**FLORIDA PUBLIC SERVICE COMMISSION**

authorizes

**Aqua Utilities Florida, Inc.**  
pursuant to  
**Certificate Number 507-W**

to provide water service in Sumter 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>
19848	08/22/88	880013-WS	Grandfather Certificate
25012	09/04/91	910586-WU	Amendment
PSC-92-1113-FOF-WS	10/05/92	920176-WS	Transfer of Certificate
PSC-93-1418-FOF-WS	09/29/93	930614-WS	Name Change
PSC-96-0666-FOF-WS	05/14/96	951330-WS	Transfer of Majority Control
PSC-97-0312-FOF-WS	03/24/97	960643-WS	Transfer of Certificate
PSC-99-0483-FOF-WS	03/08/99	981508-WS	Transfer of Majority Control
PSC-04-0715-FOF-WS	07/21/04	040359-WS	Name Change
PSC-06-0973-FOF-WS	11/22/06	060643-WS	Reorganization/Name Change

## **EXHIBIT V**

Attached hereto is an affidavit of John M. Lihvarcik, President and Chief Operating Officer of AUF, affirming that the facts stated herein and in the attached exhibits are true and correct.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Aqua Utilities Florida, Inc.'s Application )  
for Approval of Transfer of Harbor Hills Utilities, L.P.) Docket No. \_\_\_\_\_  
Water System and Amendment of Certificate in )  
Lake County, FL ) Filed: January 7, 2011  
\_\_\_\_\_)

**AFFIDAVIT**

STATE OF FLORIDA:  
COUNTY OF LAKE:

BEFORE ME, the undersigned authority, personally appeared John M. Lihvarcik,  
who after being duly sworn, deposes and says:

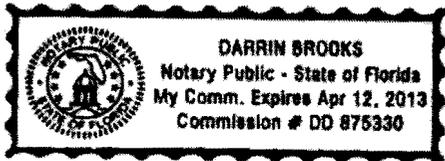
1. That I, John M. Lihvarcik, in my capacity as Vice President and Chief  
Operating Officer of Aqua Utilities Florida, Inc. do solemnly swear or affirm that the  
facts stated in the forgoing application and the exhibits attached thereto are true and  
correct.

2.. Further Affiant Sayeth Not.

  
\_\_\_\_\_  
JOHN M. LIHVARCİK

STATE OF FLORIDA:  
COUNTY OF LAKE:

Subscribed and sworn to before me this 2<sup>TH</sup> day of January, 2011, by John M.  
Lihvarck, who is personally known to me.



  
\_\_\_\_\_  
NOTARY PUBLIC  
My Commission Expires: 4/12/2013

**TWO (2) COPIES OF  
ORIGINAL SAMPLE TARIFF SHEETS**

DOCUMENT NUMBER-DATE

00205 JAN-7 =

FPSC-COMMISSION CLERK

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**INDEX OF RATE SCHEDULES**

*(Continued from Section V Sheet No. 1.1)*

GS = General Service

MF = Multi-Family Master Meter

PF = Private Fire Protection

RS = Residential Service

<b><u>Plant</u></b>	<b><u>County</u></b>	<b><u>Schedules</u></b>	<b><u>Sheet Nos.</u></b>
Breeze Hill	Polk	RS, GS	50.1, 50.2
Chuluota	Seminole	RS, GS, PF	60.1, 60.2, 60.3
Fairways	Lake	RS, GS, IR	70.1, 70.2, 70.3
Harbor Hills	Lake	RS, GS	75.1, 75.2
Peace River Heights	Hardee	RS, GS, PF	80.1, 80.2, 80.3

---

**RATE SCHEDULE: HARBOR HILLS**  
**RESIDENTIAL SERVICE (RS)**

**AVAILABILITY:** Available throughout the area served by the Company in the Harbor Hills service area of Lake County.

**APPLICABILITY:** For water service for all purposes in private residences and individually metered apartment units.

**LIMITATIONS:** Subject to all of the Company's Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

**BILLING PERIOD:** Monthly.

**RATE:**

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" X 3/4"	\$ 17.17
3/4"	\$ 25.74
1"	\$ 42.91
1-1/2"	\$ 85.81
2"	\$ 137.30
3"	\$ 274.60
4"	\$ 429.06
6"	\$ 858.11

**GALLONAGE CHARGE:** Per 1,000 gallons \$ 1.23

**MINIMUM CHARGE:** Base Facility Charge.

**TERMS OF PAYMENT:** Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days' written notice is mailed to the Customer separate and apart from any other bill, service may then be discontinued.

**TYPE OF FILING:** Transfer of Ownership

**EFFECTIVE DATE:**

---

Jack Lihvarcik  
Chief Operating Officer

---

**RATE SCHEDULE: HARBOR HILLS**  
**GENERAL SERVICE (GS) and MULTI-FAMILY (MF)**

**AVAILABILITY:** Available throughout the area served by the Company in the Harbor Hills service area of Lake County.

**APPLICABILITY:** For water service to all Customers for which no other schedule applies.

**LIMITATIONS:** Subject to all of the Company's Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

**BILLING PERIOD:** Monthly.

**RATE:**

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" X 3/4"	\$ 17.17
3/4"	\$ 25.74
1"	\$ 42.91
1-1/2"	\$ 85.81
2"	\$ 137.30
3"	\$ 274.60
4"	\$ 429.06
6"	\$ 858.11

**GALLONAGE CHARGE:** Per 1,000 gallons \$ 1.23

**MINIMUM CHARGE:** Base Facility Charge.

**TERMS OF PAYMENT:** Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days' written notice is mailed to the Customer separate and apart from any other bill, service may then be discontinued.

**TYPE OF FILING:** Transfer of Ownership

**EFFECTIVE DATE:**

---

Jack Lihvarcik  
Chief Operating Officer

---

**SERVICE AVAILABILITY CHARGES**

**AVAILABILITY:**

Harbor Hills in Lake County, Florida

**CHARGES:**

**Main Extension Charges:**

Residential - per ERC	\$457.00
All Others – per gallon	\$ 1.3058
Or	
Residential – per lot (140 ft. frontage)	\$457.00

**Meter Installation Charges:**

5/8" x 3/4"	\$ 85.00
1"	\$ 85.00
All other meter sizes	Actual Cost

**Plant Capacity Charges:**

Residential - per ERC	\$263.00
All Others – per gallon	\$ 0.75

**Stand Alone Backflow Prevention Device:**

All Types	Owner Installed
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**TYPE OF FILING**      Transfer Application

**EFFECTIVE DATE**

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INDEX OF MISCELLANEOUS SECTION

	<u>Sheet Number</u>
<b>Index of Miscellaneous Section</b> .....	1.0
<b>Customer Deposit</b> .....	3.0 - 3.3
<b>Meter Test Deposit</b> .....	4.0
<b>Miscellaneous Service Charges (Generic)</b> .....	2.0
<b>Miscellaneous Service Charges (Specific Systems)</b>	
Breeze Hill in Polk County .....	2.4
Fairways in Lake County .....	2.8
Harbor Hills in Lake County .....	2.9
<b>Returned Check Charge</b> .....	4.0
<b>Standard Forms</b>	
Application for Service .....	8.0
Customer's Guarantee Deposit and/or Service Charge Receipt .....	10.0
Requirements for Reclaimed Water Service .....	12.0
Sample of Customer Bill .....	9.0
Service Availability Fees Receipt .....	11.0

TYPE OF FILING           Original in Existence

EFFECTIVE DATE

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**MISCELLANEOUS SERVICE CHARGES**

**APPLICABILITY:** For the following services to all Customers within the system of Harbor Hills in Lake County.

1. **Initial Connection** - This charge would be levied for service initiation at a location where service did not exist previously.
2. **Normal Reconnection** - This charge would be levied for transfer of service to a new Customer account at a previously served location, or reconnection of service subsequent to a Customer requested disconnection.
3. **Violation Reconnection** - This charge would be levied each time service has to be disconnected or reconnected for existing Customers who have been disconnected for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.
4. **Premise Visit Charge (In Lieu Of Disconnection)** - This charge would be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

**CHARGES:**

<b><u>Type of Service</u></b>	<b><u>Fee</u></b>
Initial Connection	\$15.00
Normal Reconnection	\$15.00
Violation Reconnection	\$15.00
Premises Visit (in lieu of disconnection)	\$10.00

**TYPE OF FILING** Transfer Application

**EFFECTIVE DATE**

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**Jack Lihvarcik**  
**Chief Operating Officer**