

James L. Carlstedt, CPA
Anthony Q. De Santis, CPA
Katherine U. Jackson, CPA
Robert H. Jackson, CPA
Jeffrey K. Jones, CPA

Robert C. Nixon, CPA
Jeanette Sung, CPA
Holly M. Towner, CPA
James L. Wilson, CPA

October 29, 2012

By Federal Express

Ms. Ann Cole
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED- FPSC
12 OCT 30 PM 2:04
COMMISSION
CLERK

Re: **Continental Utility, Inc.
Notice of Intent to Increase Water and Wastewater Rates Based on 2012
Index Adjustment**

Dear Ms. Cole:

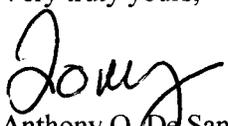
On behalf of our client, Continental Utility Company, Inc., please accept this letter as Notice of Intent to increase water and wastewater rates under the applicable provisions of the Index Provisions Section 367.081(4)(c), F.S. I have enclosed an original and six copies of the accounting schedules showing calculation of the 2012 indexed increase.

In addition, I have enclosed a copy of the Affirmation and Statement of Quality of Service, and one copy of the proposed customer notice.

Continental Utility, Inc. does not have any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Regulation or County Health Department.

Should you have questions regarding this notice of intent or the enclosed documents, please contact me.

Very truly yours,


Anthony Q. De Santis
CJN&W CPAs

COM	_____
AFB	_____ 4 _____
APA	_____
ECO	_____
ENG	_____ 1 _____
GCL	_____ 1 _____
IDM	_____
TEL	_____
CLK	_____

Enclosures
cc: Tina Downs w/enclosures

DOCUMENT NUMBER - DATE
07355 OCT 30 12

**Continental Utility, Inc.
2012 Index Adjustment
Year Ended December 31, 2011**

DOCUMENT NUMBER-DATE

07355 OCT 30 2011

FPSC-COMMISSION CLERK

Continental Utility, Inc.
2012 Index Adjustment
Year Ended December 31, 2011

Line No.		<u>Water</u>	<u>Sewer</u>
1	<u>Index Adjustment</u>		
2	2011 operation and maintenance (O&M) expense	\$ 200,337 ✓	\$ 151,841 ✓
3	Less: Purchased power	(41,551) ✓	(20,846) ✓
		<hr/>	<hr/>
4	2011 O&M expense to be indexed	158,786	130,995 ✓
5	2012 Price Deflator Index	2.41% ✓	2.41%
6	Indexed increase in revenue	<hr/> 3,827	<hr/> 3,157 ✓
7	Divide by Regulatory Assessment Fee expansion factor	<hr/> 0.955	<hr/> 0.955
8	Total increase in revenue	<hr/> <hr/> \$ 4,007	<hr/> <hr/> \$ 3,306 ✓
9	Divide by 2011 annualized revenue (1) (Sch. No. 2)	<hr/> <hr/> \$ 270,085 ✓	<hr/> <hr/> \$ 269,181
10	Total increase adjustment factor	<hr/> <hr/> 1.48%	<hr/> <hr/> 1.23% ✓
11	Notes: (1) Continental Utility last increased its rates per the 2010 Index Adjustment		
12	effective October 11, 2011		
13	(2) The applicable DEP ID Nos. and CUP Nos. are as follows:		
14	Water - DEP ID No. 660-2058; CUP No. 202622.04		
15	Sewer - DEP ID No. FLA043699		

Continental Utility, Inc.
 Schedule of Annualized Revenue
 Year Ended December 31, 2011

Line No.		No. of Bills/Gallons (000)	Present Rates	Annualized Revenue
1	<u>Water</u>			
2	<u>Residential and General Service</u>			
3	Base facility charge			
4	5/8" x 3/4"	11,200	\$ 11.77	\$ 131,824
5	1 1/2"	12	58.89	707
6	2"	33	94.23	3,110
7	3"	24	188.46	4,523
8	6"	12	588.95	7,067
9	Gallonge Charge	66,315	1.80	<u>119,367</u>
10	Total residential and general service revenue			<u>266,598</u>
11	<u>Private Fire Protection</u>			
12	Base facility charge			
13	2"	12	31.41	377
14	3"	12	62.82	754
15	6"	12	196.33	<u>2,356</u>
16	Total private fire protection revenue			<u>3,487</u>
17	Total annualized water revenue			<u>\$ 270,085</u>

Continental Utility, Inc.
 Schedule of Annualized Revenue
 Year Ended December 31, 2011

Line No.		No. of Bills/Gallons (000)	Present Rates	Annualized Revenue
1	<u>Sewer</u>			
2	<u>Residential</u>			
3	Base facility charge			
4	All meter sizes	11,020	\$ 10.00	\$ 110,200
5	Gallonge Charge	39,572	3.03	<u>119,903</u>
6	Total residential revenue			<u>230,103</u>
7	<u>General Service</u>			
8	Base facility charge			
9	5/8" x 3/4"	180	10.00	1,800
10	1 1/2"	12	49.98	600
11	2"	21	79.99	1,680
12	3"	24	159.97	3,839
13	6"	12	499.98	6,000
14	Gallonge Charge per 1,000 gallons	6,950	3.62	<u>25,159</u>
15	Total general service revenue			<u>39,078</u>
16	Total annualized sewer revenue			<u>\$ 269,181</u>

Continental Utility, Inc.
 Schedule of Present and Proposed Rates
 Year Ended December 31, 2011

Line No.		Monthly		
		Present Rates	Index Increase	Proposed Rates
1	<u>Water</u>			
2	<u>Water (1.48% increase)</u>			
3	<u>Residential and General Service</u>			
4	Base facility charge			
5	5/8" x 3/4"	\$ 11.77	\$ 0.17	\$ 11.94
6	1"	29.45	0.44	29.89
7	1 1/2"	58.89	0.87	59.76
8	2"	94.23	1.39	95.62
9	3"	188.46	2.79	191.25
10	4"	294.46	4.36	298.82
11	6"	588.95	8.72	597.67
12	Gallonage Charge per 1,000 gallons	1.80	0.03	1.83
13	<u>Private Fire Protection</u>			
14	Base facility charge			
15	2"	31.41	0.46	31.87
16	3"	62.82	0.93	63.75
17	4"	98.15	1.45	99.60
18	6"	196.33	2.91	199.24
19	<u>Sewer</u>			
20	<u>Sewer (1.23% increase)</u>			
21	<u>Residential</u>			
22	Base facility charge			
23	All meter sizes	10.00	0.12	10.12
24	Gallonage Charge per 1,000 gallons (Maximum 6,000 gallons)	3.03	0.04	3.07
25	<u>General Service</u>			
26	Base facility charge			
27	5/8" x 3/4"	10.00	0.12	10.12
28	1"	25.00	0.31	25.31
29	1 1/2"	49.98	0.61	50.59
30	2"	79.99	0.98	80.97
31	3"	159.97	1.97	161.94
32	4"	249.94	3.07	253.01
33	6"	499.98	6.15	506.13
34	Gallonage Charge per 1,000 gallons	3.62	0.04	3.66

AFFIRMATION

I Debra Egger, hereby affirm that the figures and calculations upon which the change in rates is based are accurate and that the change will not cause Continental Utility, Inc. to exceed the range of its last authorized rate of return on equity, which is 10.97 percent.

I, the undersigned/officer of the above-named utility, have read the foregoing and declare that, to the best of my knowledge and belief, the information contained in this Application is true and correct.

This Affirmation is made pursuant to my request for a 2012 price index rate increase in conformance with Section 367.081(4)(c), Florida Statutes.

Further, I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.



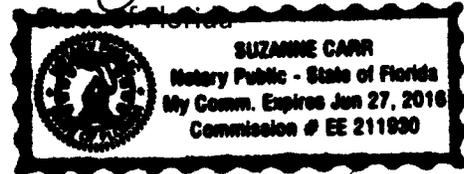
Debra Egger
President

Sworn to and subscribed before me this 10th day of Sept., 2012 by Debra Egger, who is personally known to me or who has produced _____ as identification.

My Commission Expires:



Notary Public



Printed Name

STATEMENT OF QUALITY OF SERVICE

Pursuant to Rule 25-30.420(2)(h) and (i), Florida Administrative Code,

Continental Utility Inc

[X] does not have any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Protection (DEP) or the County Health Departments.

[] does have the attached active written complaint(s), corrective order(s), consent order(s), or outstanding citation(s) with the DEP or the County Health Department(s). The attachment(s) includes the specific system(s) involved with DEP permit number and the nature of the active complaint, corrective order, consent order, or outstanding citation.

This statement is intended such that the Florida Public Service Commission can make a determination of quality of service to Section 367.081(4)(a), Florida Statutes, and Rule 25-30.420(4)(a), Florida Administrative Code.

Name:	<u>Debra Egger</u>
Title:	<u>President</u>
Telephone Number:	<u>352-748-0100</u>
Fax Number:	<u>352-748-6450</u>
Date:	<u>9/10/13</u>

NOTICE TO CUSTOMERS

Under the provisions of Section 367.081(4) (a), Florida Statutes investor-owned water and sewer utilities are permitted to adjust their rates annually based on inflation to its customers without those customers bearing the additional expense of a public hearing. These adjustments in rates depend on increases or decreases in non-controllable expenses subject to inflationary pressures such as chemicals, and other general operation and maintenance costs.

On October 29, 2012, Continental Utility, Inc., filed its Notice of Intention with the Florida Public Service Commission to increase water and wastewater rates in Sumter County pursuant to this Statute. The filing is subject to review by the Commission Staff for accuracy and completeness. Water and private fire protection rates will increase by 1.48% and wastewater rates will increase by 1.23%. These rates should be reflected on your bill for service rendered on and after December 15, 2012.

If you have any questions, please contact the local utility office. Be sure to have your account number handy for quick response.

CONTINENTAL UTILITY,
INC.
50 Continental Blvd.
Wildwood, FL 34785

CONTINENTAL UTILITY, INC.
WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY Available throughout the area served by the Company.

APPLICABILITY For water service to all customers for which no other schedule applies.

LIMITATIONS Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

<u>RATE</u>	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8 X 3/4"	\$ 11.94
	1"	29.89
	1 1/2 "	59.76
	2"	95.62
	3"	191.25
	4"	298.82
	6"	597.67

GALLONAGE CHARGE (Per 1,000 Gallons) \$ 1.83

MINIMUM CHARGE Applicable Base Facility Charge, per month.

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.

EFFECTIVE DATE DECEMBER 15, 2012

TYPE OF FILING 2012 PRICE INDEX ADJUSTMENT

Debra Egger
ISSUING OFFICER
President
TITLE

CONTINENTAL UTILITY, INC.
WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

<u>AVAILABILITY</u>	Available throughout the area served by the Company.	
<u>APPLICABILITY</u>	For water service for all purposes in private residences and individually metered apartment units.	
<u>LIMITATIONS</u>	Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.	
<u>BILLING PERIOD</u> -	Monthly	
<u>RATE</u>	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8 X 3/4"	\$ 11.94
	1"	29.89
	1 1/2 "	59.76
	2"	95.62
	3"	191.25
	4"	298.82
	6"	597.67
<u>GALLONAGE CHARGE</u> (Per 1,000 Gallons)	\$	1.83
<u>MINIMUM CHARGE</u>	Applicable Base Facility Charge, per month.	
<u>TERMS OF PAYMENT</u>	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.	
<u>EFFECTIVE DATE</u>	DECEMBER 15, 2012	
<u>TYPE OF FILING</u>	2012 PRICE INDEX ADJUSTMENT	

Debra Egger
ISSUING OFFICER
President
TITLE

CONTINENTAL UTILITY, INC.
WATER TARIFF

FIRE PROTECTION CHARGES

RATE SCHEDULE RS

<u>AVAILABILITY</u>	Available throughout the area served by the Company.
<u>APPLICABILITY</u>	For all private fire protection systems connected to the Utility that benefit an individual property or complex.
<u>LIMITATIONS</u>	Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
<u>BILLING PERIOD</u> -	Monthly
<u>RATE</u>	PRIVATE FIRE CONNECTION: 2.0" Connection \$ 31.87 3.0" Connection 63.75 4.0" Connection 99.60 6.0" Connection 199.24
<u>MINIMUM CHARGE</u>	Applicable Charge per month.
<u>TERMS OF PAYMENT</u>	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.
<u>EFFECTIVE DATE</u>	DECEMBER 15, 2012
<u>TYPE OF FILING</u>	2012 PRICE INDEX ADJUSTMENT

Debra Egger
ISSUING OFFICER
President
TITLE

CONTINENTAL UTILITY, INC.
WASTEWATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY Available throughout the area served by the Company.

APPLICABILITY For wastewater service to all customers for which no other schedule applies.

LIMITATIONS Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

<u>RATE</u>	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8 X 3/4"	\$ 10.12
	1"	25.31
	1 1/2 "	50.59
	2"	80.97
	3"	161.94
	4"	253.01
	6"	506.13

GALLONAGE CHARGE (Per 1,000 Gallons) \$ 3.66

MINIMUM CHARGE Applicable Base Facility Charge, per month.

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.

EFFECTIVE DATE DECEMBER 15, 2012

TYPE OF FILING 2012 INDEX ADJUSTMENT

Debra Egger
ISSUING OFFICER
President
TITLE

CONTINENTAL UTILITY, INC
WASTEWATER TARIFF

RESIDENTIAL SERVICE

WATER

AVAILABILITY Available throughout the area served by the Company.

APPLICABILITY For wastewater service to all customers for which no other schedule applies.

LIMITATIONS Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

<u>RATE</u>	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8 X 3/4"	\$ 10.12
<u>GALLONAGE CHARGE</u> (Per 1,000 Gallons) (Maximum 6,000 Gallons)		\$ 3.07

MINIMUM CHARGE Applicable Base Facility Charge, per month.

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.

EFFECTIVE DATE DECEMBER 15, 2012

TYPE OF FILING 2012 PRICE INDEX ADJUSTMENT

Debra Egger _____
ISSUING OFFICER
President _____
TITLE