

CLASS "B"

WATER and/or SEWER UTILITIES

(Gross Revenue of \$150,000 or More but Less Than \$750,000 Each)

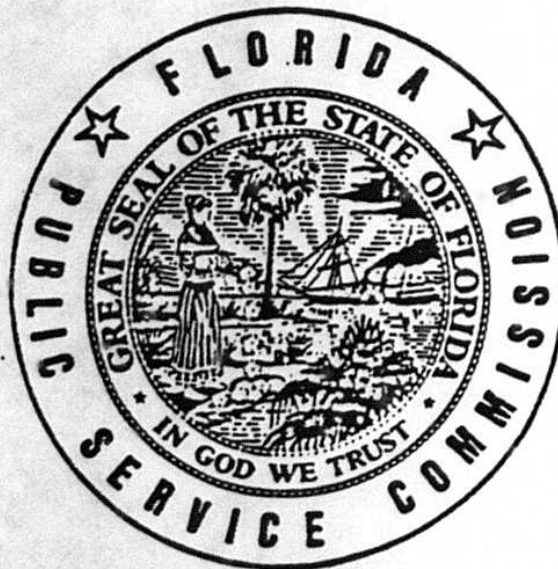
ANNUAL REPORT

OF

SU299 ²⁸
Highlands Utilities Corporation
1511 U.S. Highway 27 South
Lake Placid, FL 33852-8980

361-5
Certificate Number(s)

OFFICIAL COPY
DIVISION OF
WATER AND SEWER
Do Not Remove from this Office



RECEIVED

MAR 07 1999

Florida Public Service Commission
Division of Water and Wastewater

FOR THE
YEAR ENDED DECEMBER 31, 19 98

General Instructions

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Sewer Utilities.
2. Interpret all accounting words and phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement should be made at the bottom of the page or an additional page inserted. Any additional pages should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. The report should be filled out in quadruplicate and the original and two copies returned by March 31 of the year following the date of the report. The report should be returned to:

Florida Public Service Commission
Division of Water and Sewer
101 East Gaines Street
Tallahassee, Florida 32399-0873

TABLE OF CONTENTS

Schedule	Page	Schedule	Page
Executive Summary			
Certification	E-1	Directors and Affiliates	E-7
General Information	E-2	Affiliation of Officers & Directors	E-8
Directory of Personnel Who Contact The Fla. Public Service Commission	E-3	Businesses Which Are A Byproduct, Coproduct or Joint Product Result of Providing Service	E-9
Company Profile	E-4	Business Transactions With Related Parties - Part I and II	E-10
Parent/Affiliate Organization Chart	E-5	Composite of Statistics	E-11
Compensation of Officers & Directors	E-6		
Business Contracts With Officers,			
Financial Section			
Comparative Balance Sheet - Assets and Other Debits	F-1	Companies	F-13
Comparative Balance Sheet - Equity Capital and Liabilities	F-2	Capital Stock	F-14
Comparative Operating Statement	F-3	Long Term Debt	F-14
Schedule of Year End Rate Base	F-4	Statement of Retained Earnings	F-15
Utility Plant	F-5	Bonds	F-16
Utility Plant Acquisition Adjustments	F-5	Advances from Associated Companies	F-16
Accumulated Depreciation	F-6	Accrued Taxes	F-17
Accumulated Amortization	F-6	Accrued Interest	F-18
Nonutility Property	F-7	Regulatory Commission Expense - Amortization of Rate Case Expense	F-18
Special Deposits	F-7	Misc. Current & Accrued Liabilities	F-19
Investments and Special Funds	F-8	Advances For Construction	F-19
Accounts and Notes Receivable - Net	F-9	Contributions In Aid Of Construction	F-20
Accounts Receivable from Associated Companies	F-10	Additions to CIAC Received from Capacity, Main Extension and Customer Connection Charges	F-21
Notes Receivable from Associated Companies	F-10	Accum. Amortization of C.I.A.C.	F-21
Prepayments	F-11	Additions to CIAC Received from All Developers or Contractors Agreements	F-22
Miscellaneous Deferred Debits	F-11	Reconciliation of Reported Net Income With Taxable Income For Federal Income Taxes	F-23
Unamortized Debt Discount and Expense and Premium on Debt	F-12	AFUDC Calculation	F-24
Extraordinary Property Losses	F-12	AFUDC Capital Structure Adjustments	F-25
Notes Payable	F-13		
Accounts Payable to Associated			
Water Operation Section			
Water Utility Plant Accounts	W-1	Statistics	W-6
Water Utility Expense Accounts	W-2	Water Treatment Plant, Mains, Services and Meters	W-7
Water Operating Revenue	W-3	Wells and Well Pumps, Reservoirs, and High Service Pumping	W-8
Basis for Water Depreciation Charges	W-4	Other Water System Information	W-9
Analysis of Entries in Water Depreciation Reserve	W-5	Calculation of ERC's	W-10
Pumping and Purchased Water			
Sewer Operation Section			
Sewer Utility Plant Accounts	S-1	Pumping Equipment and Service Connections	S-6
Sewer Utility Expense Accounts	S-2	Collecting and Force Mains	S-7
Sewer Operating Revenue	S-3	Other Sewer System Information	S-8
Basis for Sewer Depreciation Charges	S-4	Calculation of ERC's	S-9
Analysis of Entries in Sewer Depreciation Reserve	S-5		

EXECUTIVE SUMMARY

CERTIFICATION OF ANNUAL REPORT

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 1998

I HEREBY CERTIFY, to the best of my knowledge and belief:

YES NO
 ()

1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission.

YES NO
 ()

2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission.

YES NO
 ()

3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility.

YES NO
 ()

4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents.

Items Certified

1. 2. 3. 4.

Dixon Dugh

 (signature of chief executive officer of the utility) *

1. 2. 3. 4.

Carol A. Dugh

 (signature of chief financial officer of the utility) *

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

NOTICE: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

Highlands Utilities Corporation
(Exact Name of Utility)

County: Highlands

List below the exact mailing address of the utility for which normal correspondence should be sent:

Highlands Utilities Corporation
720 U.S. 27 South
Lake Placid, FL 33852

Telephone: (941) 465-1296

Name and address of person to whom correspondence concerning this report should be addressed:

Dixon Pugh
720 U.S. 27 South
Lake Placid, FL 33852

Telephone: (941) 465-1296

List below the address of where the utility's books and records are located:

720 U.S. 27 South
Lake Placid, FL 33852

Telephone: (941) 465-1296

List below any groups auditing or reviewing the records and operations:

None

Date of original organization of the utility: 07 / 24 / 81

Check the appropriate business entity of the utility as filed with the Internal Revenue Service:

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the utility:

	Name	Percent Ownership
1.	R.E. Pugh	42 %
2.	Dixon Pugh	29 %
3.	Sue Pugh	29 %
4.		%
5.		%
6.		%
7.		%
8.		%
9.		%
10.		100%

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 19 98

DIRECTORY OF PERSONNEL WHO CONTACT THE FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY REPRESENTATIVE (1)(2)	TITLE OR POSITION	ORGANIZATIONAL UNIT TITLE (3)	USUAL PURPOSE FOR CONTACT WITH FPSC
Dixon Pugh	President		General Counsel
Sue Pugh	Vice President		General Counsel
Frank L. Williams, CPA	Consultant		General Counsel

- (1) Also list appropriate legal counsel, accountants and others who may not be on general payroll.
- (2) Provide individual telephone numbers if the person is not normally reached at the company.
- (3) Name of company employed by if not on general payroll.

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

- A. Company incorporated July 24, 1981.
- B. Commercial and residential sewage collection and treatment in both Sebring and Lake Placid, Florida.
- C. To give customers quality sewer service at the lowest possible price while at the same time maintain company profitability.
- D. Only one division.
- E. Expansion as needed.
- F. Consistent high growth rate of franchised area serving Highlands County, Florida.

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 19 98

PARENT / AFFILIATE ORGANIZATION CHART
Current as of 06 / 22 / 99

Complete below an organizational chart that shows all parents and subsidiaries of the utility. The chart must also show the relationship between the utility and the affiliates listed on E-7, E-10(a) and E-10(b).

Highlands Utilities Corporation
720 U.S. 27 South
Lake Placid, Florida 33852

Pugh Septic Tank Service, Inc.
720 U.S. 27 South
Lake Placid, Florida 33852

Owned by Dixon Pugh
720 U.S. 27 South
Lake Placid, Florida 33852

100% by rules of attribution

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 1998

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.

NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF UTILITY (c)	OFFICERS COMPENSATION (d)
1. Dixon Pugh	President	95 %	\$ 63,177
2. Sue Pugh	Vice President	95 %	\$ 27,118
3. Lorri Lammie	Secretary/Treasurer	100 %	\$ 25,291
			\$ 117,586
			\$
			\$
			\$
			\$
			\$

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.

NAME (a)	TITLE (b)	NUMBER OF DIRECTORS MEETINGS ATTENDED (c)	DIRECTORS COMPENSATION (d)
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

BUSINESS CONTRACTS WITH OFFICERS, DIRECTORS AND AFFILIATES

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation related to position with Respondents) between the Respondent and officer and director listed on page E-6. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

NAME OF OFFICER, DIRECTOR OR AFFILIATE (a)	IDENTIFICATION OF SERVICE OR PRODUCT (b)	AMOUNT (c)	NAME AND ADDRESS OF AFFILIATED ENTITY (d)
Dixon Pugh	Operations	\$ 14,665	Pugh Septic Tank Service, Inc. 720 U.S. 27 South Lake Placid, FL 33852

*Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years. Although the Respondent and/or other companies will benefit from the arrangement, the officer or director is, however, acting on his behalf or for the benefit of other companies or persons.

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

AFFILIATION OF OFFICERS AND DIRECTORS

For each of the officials listed on page E-6, list the principle occupation or business affiliation and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, an official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

NAME (a)	PRINCIPLE OCCUPATION OR BUSINESS AFFILIATION (b)	AFFILIATION OR CONNECTION (c)	NAME AND ADDRESS OF AFFILIATION OR CONNECTION (d)
1. Dixon Pugh	Manager	Owner/Pres.	Pugh Septic Tank Service, Inc. 720 U.S. 27 South Lake Placid, FL 33852
2. Sue Pugh	Manager	Owner/V Pres	Pugh Septic Tank Service, I. 720 U.S. 27 South Lake Placid, FL 33852

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 1998

BUSINESSES WHICH ARE A BYPRODUCT, COPRODUCT OR JOINT PRODUCT RESULT OF PROVIDING WATER OR SEWER SERVICE

Complete the following for any business which is conducted as a byproduct, coproduct or joint product as a result of providing water and/or sewer service. This would include any business which requires the use of utility land and facilities. Examples of these types of businesses would be orange groves, nurseries, tree farms, fertilizer manufacturing, etc. This would not include any business for which the assets are properly included in Account 121 - Nonutility Property along with the associated revenues and expenses segregated out as nonutility also.

BUSINESS OR SERVICE CONDUCTED (a)	ASSETS		REVENUES		EXPENSES	
	BOOK COST OF ASSETS (b)	ACCT. NO. (c)	REVENUES GENERATED (d)	ACCT. NO. (e)	EXPENSES INCURRED (f)	ACCT. NO. (g)
N/A	\$		\$		\$	

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 19 98

BUSINESS TRANSACTIONS WITH RELATED PARTIES

List each contract, agreement, or other business transaction exceeding a cumulative amount of \$500 in any one year, entered into between the Respondent and a business or financial organization, firm, or partnership named on pages E-2 and E-6 identifying the parties, amounts, dates and product, asset, or service involved.

Part I. Specific Instructions: Services and Products Received or Provided

1. Enter in this part all transactions involving services and products received or provided.
2. Below are some types of transactions to include:
 - management, legal and accounting services
 - computer services
 - engineering & construction services
 - repairing and servicing of equipment
 - material and supplies furnished
 - leasing of structures, land and equipment
 - rental transactions
 - sale, purchase or transfer of various products

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION SERVICE AND/OR NAME OF PRODUCT (b)	CONTRACT OR AGREEMENT EFFECTIVE DATES (c)	ANNUAL CHARGES	
			(P)urchased/ or (S)old (d)	AMOUNT (e)
Pugh Septic Tank Service, Inc. 720 U.S. 27 South Lake Placid, FL 33852	Real estate lease	Annually	\$	9,400

BUSINESS TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Part II. Specific Instructions: Sale, Purchase and Transfer of Assets

1. Enter in this part all transactions relating to the purchase, sale or transfer of assets.
2. Below are examples of some types of transactions to include:
 - purchase, sale or transfer of equipment.
 - purchase, sale or transfer of land and structures.
 - purchase, sale or transfer of securities.
 - noncash transfers of assets.
 - noncash dividends other than stock dividends.
 - writeoff of bad debts or loans.
3. The columnar instructions follow:
 - (a) Enter name of related party or company.
 - (b) Describe briefly the type of assets purchased, sold or transferred.
 - (c) Enter the total received or paid. Indicate purchase with "p" and sale with "S".
 - (d) Enter the net book value for each item reported.
 - (e) Enter the net profit or loss for each item (column (c) - column (d)).
 - (f) Enter the fair market value for each item reported. In space below or in a supplemental schedule, describe the basis used to calculate fair market value.

NAME OF COMPANY OR RELATED PARTY (a)	DESCRIPTION OF ITEMS (b)	SALE OR PURCHASE PRICE (c)	NET BOOK VALUE (d)	GAIN OR LOSS (e)	FAIR MARKET VALUE (f)
N/A		\$	\$	\$	\$

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

COMPOSITE STATISTICS FOR ALL
PRIVATELY OWNED WATER AND SEWER UTILITIES UNDER AGENCY JURISDICTION

DESCRIPTION (a)	WATER (b)	SEWER (c)
PLANT (Intrastate Only)(000's Omitted):		
Plant in Service	\$	\$ 1,661
Construction Work In Progress		
Plant Acquisition Adjustment		
Plant Held For Future Use		
Materials and Supplies		
Less:		
Accumulated Depreciation and Accumulated Amortization		650
Contributions In Aid Of Construction		628
Net Book Cost	\$	\$ 383
REVENUES AND EXPENSES (Intrastate Only)(000's Omitted):		
Operating Revenues	\$	\$ 526
Depreciation and Amortization Expense	\$	\$ 27
Income Tax Expense		(4)
Taxes Other Than Income		50
Other Operating Expenses		420
Total Operating Expenses	\$	\$ 493
Net Operating Income	\$	\$ 33
Other Income	\$	\$
Other Income Deductions		(54)
Net Income	\$	\$ (21)
CUSTOMERS (Intrastate Only):		
Residential - Yearly Average		1,158
Commercial - Yearly Average		129
Industrial - Yearly Average		
Others - Yearly Average		18
Total		1,305
OTHER STATISTICS (Intrastate Only):		
Average Annual Residential Use Per 1,000 Gallons		(A) 25.47
Average Annual Residential Cost Per 1,000 Gallons	\$	\$(A) 8.84
Average Residential Monthly Bill	\$	\$ 18.76
Gross Plant Investment Per Customer	\$	\$ 1,272.92

(A) Based on residential treatment of 29,495,000 gallons.

**FINANCIAL
SECTION**

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 1998

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-105	Utility Plant	F-5	\$ 1,660,525	\$ 1,618,936
108-110	Less: Accumulated Depreciation and Amortization	F-6	649,964	568,508
	Net Plant		\$ 1,010,561	\$ 1,050,428
114-115	Utility Plant Acquisition Adjustments (Net) Other Plant Adj. (Specify)	F-5		
	Total Net Utility Plant		\$ 1,010,561	\$ 1,050,428
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-7	\$	\$
122	Less: Accumulated Depreciation and Amortization			
	Net Nonutility Property		\$	\$
123	Investment In Associated Companies	F-8		
124	Utility Investments	F-8		
125	Other Investments	F-8		
127	Other Special Funds	F-8		
	Total Other Property & Investments		\$	\$
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ 35,543	\$ 20,791
132	Special Deposits	F-7		
134	Working Funds			
135	Temporary Cash Investments			
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-9	26,821	47,982
145	Accounts Receivable from Associated Companies	F-10		
146	Notes Receivable from Associated Companies	F-10		
151	Material and Supplies			
162	Prepayments	F-11		
171	Accrued Interest and Dividends Receivable			
174	Misc. Current and Accrued Assets			100
	Total Current and Accrued Assets		\$ 62,364	\$ 68,873

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense	F-12	\$ 4,111	\$ 5,873
182	Extraordinary Property Losses	F-12		
186	Misc. Deferred Debits	F-11		11,453
190	Accumulated Deferred Income Taxes			
	Total Deferred Debits		\$ 4,111	\$ 17,326
	TOTAL ASSETS AND OTHER DEBITS		\$ 1,077,036	\$ 1,136,627

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 19 98

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-14	\$ 760	\$ 760
204	Preferred Stock Issued	F-14		
211	Other Paid-In Capital		76,990	76,990
212	Discount on Capital Stock			
213	Capital Stock Expense			
214-215	Retained Earnings	F-15	(501,996)	(481,226)
216	Reacquired Capital Stock			
218	Proprietary Capital (Proprietorship and Partnership Only)			
	Total Equity Capital		\$ (424,246)	\$ (403,476)
LONG TERM DEBT				
221	Bonds	F-16	\$	\$
223	Advances from Associated Companies	F-16		
224	Other Long Term Debt	F-14		
	Total Long Term Debt		\$	\$
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		\$ 31,126	\$ 26,042
232	Notes Payable	F-13	471,225	483,446
233	Accounts Payable to Associated Co.	F-13	155,330	131,265
234	Notes Payable to Associated Co.	F-13		
235	Customer Deposits		194	265
236	Accrued Taxes	F-17	16,839	17,489
237	Accrued Interest	F-18	194,160	199,006
238	Accrued Dividends			
239	Matured Long Term Debt			
240	Matured Interest			
241	Miscellaneous Current and Accrued Liabilities	F-19		
	Total Current and Accrued Liabilities		\$ 868,874	\$ 857,513

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt	F-12	\$	\$
252	Advances for Construction	F-19		
253	Other Deferred Credits			
255	Accumulated Deferred Investment Tax Credits			
	Total Deferred Credits		\$	\$
OPERATING RESERVES				
261	Property Insurance Reserve		\$	\$
262	Injuries and Damages Reserve			
263	Pensions and Benefits Reserve			
265	Miscellaneous Operating Reserves			
	Total Operating Reserves		\$	\$
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions In Aid of Construction	F-20	\$ 1,056,123	\$ 1,047,773
272	Accumulated Amortization of Contributions In Aid of Construction	F-21	(427,739)	(373,560)
	Total Net C.I.A.C.		\$ 628,384	\$ 674,213
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$	\$
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		513	989
283	Accumulated Deferred Income Taxes - Other		3,511	7,388
	Total Accum. Deferred Income Taxes		\$ 4,024	\$ 8,377
	TOTAL EQUITY CAPITAL AND LIABILITIES		\$ 1,077,036	\$ 1,136,627

YEAR OF REPORT DECEMBER 31, 1998

UTILITY NAME: Highlands Utilities Corporation

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	UTILITY OPERATING INCOME			
400	Operating Revenues	\$ 521,999	F-3(b)	\$ 526,655
401	Operating Expenses	\$ 438,375	F-3(b)	\$ 419,589
403	Depreciation Expense	25,071	F-6	27,277
406	Amortization of Utility Plant Acquisition Adjustment			
407	Amortization Expense	857		
408.1	Taxes Other Than Income	54,458	F-17	50,358
409.1	Income Taxes		F-17	
410.10	Deferred Income Taxes	(11,639)		(4,353)
411.10	Provision for Deferred Income Taxes - Credit			
412.10	Investment Tax Credits Deferred to Future Periods			
412.11	Investment Tax Credits Restored to Operating Income			
	Utility Operating Expenses	\$ 507,122		\$ 492,871
	Utility Operating Income	\$ 14,877		\$ 33,784
413	Income From Utility Plant Leased to Others			
414	Gains (Losses) From Disposition of Utility Property			
	Total Utility Operating Income [Enter here and on Page F-3(c)]	\$ 14,877		\$ 33,784

F-3(a)

COMPARATIVE OPERATING STATEMENT (Cont'd)

REF. PAGE (f)	WATER (g)	REF. PAGE (h)	SEWER (i)	OTHER (j)
W-3	\$ _____	S-3	\$ 526,655	\$ _____
W-2	\$ _____	S-2	\$ 419,589	\$ _____
F-6	-----	F-6	27,277	-----
F-6	-----	F-6	-----	-----
F-17	-----	F-17	50,358	-----
F-17	-----	F-17	(4,353)	-----
	-----		-----	-----
	-----		-----	-----
	\$ _____		\$ 492,871	\$ _____
	\$ _____		\$ 33,784	\$ _____
	-----		-----	-----
	-----		-----	-----
	\$ _____		\$ 33,784	\$ _____

F-3(b)

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (d)	CURRENT YEAR (e)
	Total Utility Operating Income [From Page F-3(a)]	\$ 14,877		\$ 33,784
	OTHER INCOME AND DEDUCTIONS			
415	Revenues From Merchandising, Jobbing and Contract Deductions	\$		\$
416	Costs and Expenses of Merchandising, Jobbing and Contract Work			
419	Interest and Dividend Income	478		620
420	Allowance for Funds Used During Construction			
421	Nonutility Income	152		3,074
426	Miscellaneous Nonutility Expenses	(750)		(3,000)
	Total Other Income and Deductions	\$ (120)		\$ 694
	TAXES APPLICABLE TO OTHER INCOME			
408.20	Taxes Other Than Income	\$	F-17	\$
409.20	Income Taxes		F-17	
410.20	Provision for Deferred Income Taxes			
411.20	Provision for Deferred Income Taxes - Credit			
412.20	Investment Tax Credits - Net			
412.30	Investment Tax Credits Restored to Operating Income			
	Total Taxes Applicable To Other Income	\$		\$
	INTEREST EXPENSE			
427	Interest Expense	\$ 49,808	F-18	\$ 53,486
428	Amortization of Debt Discount & Expense	1,762	F-12	1,762
429	Amortization of Premium on Debt		F-12	
	Total Interest Expense	\$ 51,570		\$ 55,248
	EXTRAORDINARY ITEMS			
433	Extraordinary Income	\$		\$
434	Extraordinary Deductions			
409.30	Income Taxes, Extraordinary Items			
	Total Extraordinary Items	\$		\$
	NET INCOME	\$ (36,813)		\$ (20,770)

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	SEWER UTILITY (e)
101	Utility Plant In Service	F-5	\$	\$ 1,660,525
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-6		(649,964)
110	Accumulated Amortization	F-6		
271	Contributions In Aid of Construction	F-20		(1,056,123)
252	Advances for Construction	F-19		
	Subtotal		\$	\$ (45,562)
	Additions:			
272	Accumulated Amortization of Contributions In Aid of Construction	F-21		427,739
	Subtotal		\$	\$ 382,177
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-5		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-5		52,449
	Working Capital Allowance (3)			
	Other (Specify):			
	RATE BASE		\$	\$ 434,626
	UTILITY OPERATING INCOME		\$	\$ 33,784
	ACHIEVED RATE OF RETURN			7.77 %

NOTES :

- (1) Estimated if not known.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculate using the Balance Sheet Method, beginning-year end average.

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 19 <u>98</u>

UTILITY PLANT (ACCTS. 101 - 106)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
	Plant Accounts:				
101	Utility Plant In Service	\$ _____	\$ 1,660,525	\$ _____	\$ 1,660,525
102	Utility Plant Leased to Others	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work In Progress	_____	_____	_____	_____
	Total Utility Plant	\$ _____	\$ 1,660,525	\$ _____	\$ 1,660,525

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115)

Report each acquisition adjustment and related accumulated amortization separately. For any acquisition adjustment approved by the Commission, include the Order Number.

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACQUISITION ADJUSTMENTS (114):				
	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Plant Acquisition Adjs.	\$ _____	\$ _____	\$ _____	\$ _____
ACCUMULATED AMORTIZATION (115):				
	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$	\$ 568,508	\$	\$ 568,508
Credit during year:				
Accruals charged to Account 108	\$	\$ 81,456	\$	\$ 81,456
Accruals charged other accounts (specify)				

Salvage				
Other credits (specify)				

Total credits	\$	\$ 81,456	\$	\$ 81,456
Debits during year:				
Book cost of plant retired	\$	\$	\$	\$
Cost of removal				
Other debits (specify)				

Total debits	\$	\$	\$	\$
Balance end of year	\$	\$ 649,964	\$	\$ 649,964

ACCUMULATED AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	SEWER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
Balance first of year	\$	\$	\$	\$
Credit during year:				
Accruals charged to Account 110	\$	\$	\$	\$
Other credits (specify)				

Total credits	\$	\$	\$	\$
Debits during year:				
Book cost of plant retired	\$	\$	\$	\$
Other debits (specify)				

Total debits	\$	\$	\$	\$
Balance end of year	\$	\$	\$	\$

YEAR OF REPORT
DECEMBER 31, 19 98

UTILITY NAME Highlands Utilities Corporation

INVESTMENTS AND SPECIAL FUNDS (ACCTS. 123 - 127)

Report hereunder all investments and special funds carried in Accounts 123 thru 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123)	\$	\$
_____	\$	-----
_____	\$	-----
_____	\$	-----
_____	\$	-----
Total Investment In Associated	-----	\$
UTILITY INVESTMENTS (ACCT. 124):	\$	\$
_____	\$	-----
_____	\$	-----
_____	\$	-----
Total Utility Investments	-----	\$
OTHER INVESTMENTS (ACCT. 125):	\$	\$
_____	\$	-----
_____	\$	-----
_____	\$	-----
Total Other Investments	-----	\$
SPECIAL FUNDS (ACCT. 127):		\$
_____		-----
_____		-----
_____		-----
Total Special Funds	-----	\$

UTILITY NAME Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 19 <u>98</u>

ACCOUNTS AND NOTES RECEIVABLE - NET (ACCTS. 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)	TOTAL (b)
ACCOUNTS RECEIVABLE:	
Customer Accounts Receivable (Acct. 141):	
Water -----	\$ -----
Sewer -----	----- 26,821
Other -----	-----
Total Customer Accounts Receivable -----	\$ ----- 26,821
OTHER ACCOUNTS RECEIVABLE (Acct. 142):	
-----	\$ -----
-----	-----
Total Other Accounts Receivable -----	-----
NOTES RECEIVABLE (Acct. 144):	
-----	\$ -----
-----	-----
Total Notes Receivable -----	-----
Total Accounts and Notes Receivable -----	\$ ----- 26,821
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Acct. 143)	
Balance first of year -----	\$ -----
Add: Provision for uncollectibles for current year -----	\$ -----
Collections of accounts previously written off -----	-----
Utility accounts -----	-----
Others -----	-----
Total Additions -----	\$ -----
Deduct accounts written off during year:	
Utility Accounts -----	\$ -----
Other -----	-----
Total accounts written off -----	\$ -----
Balance end of year -----	\$ -----
Total Accounts and Notes Receivable - Net -----	\$ ----- 26,821

UTILITY NAME Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 19 <u>98</u>

PREPAYMENTS (ACCT. 162)

DESCRIPTION (a)	TOTAL (b)
Prepaid Insurance _____	\$ _____
Prepaid Rents _____	_____
Prepaid Interest _____	_____
Prepaid Taxes _____	_____
Other Prepayments (Specify): _____	_____
_____	_____
_____	_____
Total Prepayments _____	\$ _____

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186)

DESCRIPTION (a)	TOTAL (b)
MISCELLANEOUS DEFERRED DEBITS (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1) _____	\$ _____
Other Deferred Debits (Acct. 186.2) _____	_____
Total Miscellaneous Deferred Debits _____	\$ _____

UTILITY NAME Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT (ACCTS. 181 and 251)

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Acct. 181):		
Mortgage, Huntington, 60 month primary term	\$ 1,762	\$ 4,111
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ 1,762	\$ 4,111
UNAMORTIZED PREMIUM ON DEBT (Acct. 251):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182)

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
EXTRAORDINARY PROPERTY LOSSES (Acct. 182):	
_____	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 19 98

NOTES PAYABLE (ACCTS. 232 and 234)

DESCRIPTION (a)	NOMINAL DATE OF ISSUE (b)	DATE OF MATURITY (c)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (f)
			RATE (d)	FREQUENCY OF PAYMENT (e)	
ACCOUNT 232 - NOTES PAYABLE:					
GMAC	10/13/97	10/13/03	9 %	Monthly	\$ 26,086
Dixon Pugh	04/01/89	Demand	10 %	Monthly	111,125
Huntington	04/03/96	04/03/01	8.9 %	Monthly	258,707
K. Michael Knox	12/01/94	Demand	8 %	Monthly	5,376
Huntington	04/09/96	04/10/00	9 %	Monthly	55,771
Barnett Bank	08/16/97	08/16/02	9.66 %	Monthly	14,160
Total Account 232					\$ 471,225
ACCOUNT 234 - NOTES PAYABLE TO ASSOCIATED COMPANIES:					
					\$
Total Account 234					\$

ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (ACCT. 233)

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
Pugh Septic Tank Service, Inc.	\$ 155,330
Total	\$ 155,330

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock.
Show amounts of dividends per share.
2. Show separately the state and federal income tax effect of items shown in
Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings:	
	Balance beginning of year	\$ (481,226)
	Changes to account:	
439	Adjustments to Retained Earnings (requires Commission approval prior to use):	
	Credits:	\$
	-----	-----
	Total Credits	\$
	Debits:	\$
	-----	-----
	Total Debits	\$
435	Balance Transferred from Income	\$ (20,770)
436	Appropriations of Retained Earnings:	\$
	-----	-----
	Total Appropriations of Retained Earnings	\$
	Dividends Declared:	\$
437	Preferred Stock Dividends Declared	\$
	-----	-----
438	Common Stock Dividends Declared	\$
	-----	-----
	Total Dividends Declared	\$
	Balance end of year	\$ (501,996)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	\$
	-----	-----
	-----	-----
	Total Appropriated Retained Earnings	\$
	Total Retained Earnings	\$ (501,996)

Notes to Statement of Retained Earnings:
All per FPSC adjustments, determined by compliance auditor:
Note A - CIAC amortization
Note B - Accumulated Depreciation

ACCRUED TAXES (ACCT. 236)

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	SEWER (d)	OTHER (e)	TOTAL (f)
	Balance First of Year	\$	\$ 17,489	\$	\$ 17,489
408.10	Accruals Charged:				
	Utility Regulatory				
408.11	Assessment Fees	\$	\$ 23,490	\$	\$ 23,490
408.12	Property Taxes		13,752		13,752
408.13	Payroll Taxes		10,862		10,862
409.10	Other Taxes & Licenses		2,254		2,254
409.11	Federal Income Taxes				
410.10	State Income Taxes				
410.11	Taxes Applicable To Other Income (Accts. 408.2, 409.2, 409.3, 410.2)	\$	\$	\$	\$
	Total Taxes Accrued	\$	\$ 50,358	\$	\$ 50,358
	Taxes Paid During Year:				
408.10	Utility Regulatory				
	Assessment Fees		23,490		23,490
408.11	Property Taxes	\$	\$ 15,267	\$	\$ 15,267
408.12	Payroll Taxes		9,997		9,997
408.13	Other Taxes & Licenses		2,254		2,254
409.10	Federal Income Taxes				
409.11	State Income Taxes				
	Taxes Applicable To Other Income (Accts. 408.2, 409.2, 409.3, 410.2)				
	Total Taxes Paid	\$	\$ 51,008	\$	\$ 51,008
	Balance End of Year	\$	\$ 16,839	\$	\$ 16,839

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 19 98

ACCRUED INTEREST (ACCT. 237)

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT. DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - ACCRUED INTEREST ON LONG TERM DEBT:	\$ -----		\$ -----	\$ -----	\$ -----
	\$ -----		\$ -----	\$ -----	\$ -----
	\$ -----		\$ -----	\$ -----	\$ -----
	\$ -----		\$ -----	\$ -----	\$ -----
Total Account No. 237.1	\$ -----		\$ -----	\$ -----	\$ -----
ACCOUNT NO. 237.2 - ACCRUED INTEREST ON OTHER LIABILITIES:	\$ -----		\$ -----	\$ -----	\$ -----
Pugh Septic Tank Service Co.	182,680		9,490	24,746	167,424
A/C 232 - Notes Payable	16,326		43,996	33,586	26,736
Customer Deposits	0		0	0	0
Total Account No. 237.2	\$ 199,006		\$ 53,486	\$ 58,332	\$ 194,160
Total Account No. 237	\$ 199,006		\$ 53,486	\$ 58,332	\$ 194,160

REGULATORY COMMISSION EXPENSE - AMORTIZATION
OF RATE CASE EXPENSE (ACCTS. 666 and 766)

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	AMOUNT TRANSFERRED TO ACCT. NO. 186.1 (c)	CHARGED OFF DURING YEAR	
			ACCT. (d)	AMOUNT (e)
931052-SU 10/11/94	\$ 0	\$ 0	766	\$ 11,453
Total	\$ 0	\$ 0		\$ 11,453

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCT. 271)

DESCRIPTION (a)	WATER (b)	SEWER (c)	W & S OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$	\$ 1,047,773	\$	\$ 1,047,773
Add credits during year:				
Contributions received from Capacity, Main Extension and Customer Connection Charges (Schedule "A")	\$	\$ 8,350	\$	\$ 8,350
Contributions received from Developer or Contractor Agreements in cash or property (Schedule "B")				
Total Credits	\$	\$ 1,056,123	\$	\$ 1,056,123
Less debits charged during the year (All debits charged during the year must be explained below)	\$	\$	\$	\$
Total Contributions In Aid of Construction	\$	\$ 1,056,123	\$	\$ 1,056,123

Explain all debits charged to Account 271 below:

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 19 <u>98</u>

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES
(UTILITY OPERATIONS)

1. The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computation of all tax accruals.

2. If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

DESCRIPTION (a)	REF. (b)	AMOUNT (c)
Net income for the year		\$ (20,770)
Reconciling items for the year:		
Taxable income not reported on books:		
Amortization of prior CIAC		11,014
CIAC collected		8,350
Deductions recorded on books not deducted for return:		
Excess of Book over tax depreciation		6,646
Interest accrual to related party		10,410
DEP Penalty		3,000
Income recorded on books not included in return:		
Amortization of CIAC, NET		(54,179)
Income tax - deferred		(4,353)
Accounts receivable adjustment to cash basis		21,161
Deduction on return not charged against book income:		
Net operating loss carryforward		(128,040)
Federal tax net income		\$ (146,761)
Computation of tax:		
Tax income - above	\$(146,761)	
Federal tax	\$ - 0 -	

** COMPLETION OF SCHEDULE ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR **

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 1998

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (2)

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (1) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (d)	WEIGHTED COST [c x d] (e)
Common Equity	\$	%	%	%
Preferred Stock		%	%	%
Long Term Debt		%	%	%
Customer Deposits		%	%	%
Tax Credits - Zero Cost		%	0.00 %	%
Tax Credits - Weighted Cost		%	%	%
Deferred Income Taxes		%	%	%
Other (Explain)		%	%	%
Total	\$	100.00 %		%

(1) Should equal amounts on Schedule B, Column (f), Page F-25.

(2) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	_____ %
Commission order approving AFUDC rate:	_____

** COMPLETION OF SCHEDULE ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR **

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 1998

SCHEDULE "B"

SCHEDULE OF CAPITAL STRUCTURE ADJUSTMENTS

CLASS OF CAPITAL (a)	PER BOOK BALANCE (b)	NON-UTILITY ADJUSTMENTS (c)	NON-JURIS. ADJUSTMENTS (d)	OTHER (1) ADJUSTMENTS (e)	CAPITAL STRUCTURE USED FOR AFUDC CALCULATION (f)
Common Equity	\$	\$	\$	\$	\$
Preferred Stock					
Long Term Debt					
Customer Deposits					
Tax Credits - Zero Cos					
Tax Credits - Weighted Cost of Capital					
Deferred Income Taxes					
Other (Explain)					
Total	\$	\$	\$	\$	\$

(1) Explain below all adjustments made in Column (e):

WATER OPERATING SECTION

Note: This utility is a wastewater only service; therefore, Pages W-1 through W-10 have been omitted from this report.

**SEWER
OPERATION
SECTION**

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

SEWER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)
351	Organization	\$ 1,355	\$	\$
352	Franchises	11,337		
353	Land and Land Rights	30,499		
354	Structures and Improvements	55,959	6,850	
360	Collection Sewers - Force	224,698		
361	Collection Sewers - Gravity	238,328	1,223	
362	Special Collecting Structures	1,333		
363	Services to Customers	1,724		
364	Flow Measuring Devices	5,618		
365	Flow Measuring Installations	1,965		
370	Receiving Wells	69,310		
371	Pumping Equipment	149,513	30,061	
380	Treatment and Disposal Equip.	673,320	3,455	
381	Plant Sewers	2,922		
382	Outfall Sewer Lines			
389	Other Plant and Miscellaneous Equipment	9,756		
390	Office Furniture and Equip.	30,441		
391	Transportation Equipment	51,438		
392	Stores Equipment	1,607		
393	Tools, Shop and Garage Equip.	14,071		
394	Laboratory Equipment			
395	Power Operated Equipment	7,224		
396	Communication Equipment	10,494		
397	Miscellaneous Equipment	6,086		
398	Other Tangible Plant	19,938		
	Total Sewer Plant	\$ 1,618,936	\$ 41,589	\$

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

SEWER UTILITY PLANT MATRIX

CURRENT YEAR (f)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL PLANT (j)	.5 GENERAL PLANT (k)
\$ 1,355	\$ 1,355	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
11,337	11,337	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
30,499	XXXXXXXXXXXXXX	30,499	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
62,809	XXXXXXXXXXXXXX	62,809	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
224,698	XXXXXXXXXXXXXX	224,698	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
239,551	XXXXXXXXXXXXXX	239,551	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
1,333	XXXXXXXXXXXXXX	1,333	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
1,724	XXXXXXXXXXXXXX	1,724	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
5,618	XXXXXXXXXXXXXX	5,618	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
1,965	XXXXXXXXXXXXXX	1,965	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
69,310	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	69,310	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
179,574	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	179,574	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
676,775	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	676,775	XXXXXXXXXXXXXX
2,922	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	2,922	XXXXXXXXXXXXXX
9,756	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	9,756	XXXXXXXXXXXXXX
30,441	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	30,441
51,438	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	51,438
1,607	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	1,607
14,071	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	14,071
7,224	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	7,224
10,494	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	10,494
6,086	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	6,086
19,938	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	19,938
\$ 1,660,525	\$ 12,692	\$ 568,197	\$ 248,884	\$ 689,453	\$ 141,299

SEWER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 COLLECTION EXPENSES - OPERATIONS (d)	.2 COLLECTION EXPENSES - MAINTENANCE (e)
701	Salaries and Wages - Employees	\$ 15,351	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders	117,586		
704	Employee Pensions and Benefits	4,191		
710	Purchased Sewage Treatment	13,925	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
711	Sludge Removal Expense	50,251	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
715	Purchased Power			XXXXXXXXXXXXXXXX
716	Fuel for Power Purchased			XXXXXXXXXXXXXXXX
718	Chemicals	16,345		
720	Materials and Supplies	34,464		3,416
731	Contractual Services - Eng.	2,500		
732	Contractual Services - Acct.	14,800		
733	Contractual Services - Legal	3,085		
734	Contractual Services - Management Fees			
735	Contractual Services - Other	84,893		10,623
741	Rental of Building/Real Property	14,580		
742	Rental of Equipment	805		
750	Transportation Expenses	12,440		
756	Insurance - Vehicle	4,562		
757	Insurance - General Liability			
758	Insurance - Workman's Compensation	2,130		
759	Insurance - Other	13,472		
760	Advertising Expense	336	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
766	Regulatory Commission Expenses - Amortization of Rate Case Expense	11,453	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
767	Regulatory Commission Expenses - Other		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
770	Bad Debt Expense		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
775	Miscellaneous Expenses	2,420		
	Total Sewer Utility Expenses	\$ 419,589	\$	\$ 14,039

SEWER EXPENSE ACCOUNT MATRIX

.3 PUMPING EXPENSES - OPERATIONS (f)	.4 PUMPING EXPENSES - MAINTENANCE (g)	.5 TREATMENT & DISPOSAL EXPENSES - OPERATIONS (h)	.6 TREATMENT & DISPOSAL EXPENSES - MAINTENANCE (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINISTRATIVE & GENERAL EXPENSES (k)
\$	\$	\$ 8,620	\$	\$	\$ 6,731
		63,177			54,409
XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX		XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	4,191
XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	13,925	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
15,461		31,290	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	3,500
		16,345	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
721	6,300		6,939		17,088
		500			2,000
					14,800
					3,085
400	16,386	26,430	3,900		27,154
					14,580
					805
					12,440
					4,562
					2,130
XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	13,471
XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	336
XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	
XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	11,453
					XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX		2,420
\$ 16,582	\$ 22,686	\$ 160,287	\$ 10,839	\$	\$ 195,151

SEWER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
	Flat Rate Revenues:			
521.1	Residential Revenues	-----	-----	\$ -----
521.2	Commercial Revenues	-----	-----	-----
521.3	Industrial Revenues	-----	-----	-----
521.4	Revenues From Public Authorities	-----	-----	-----
521.5	Multiple Family Dwelling Revenues	-----	-----	-----
521.6	Other Revenues	-----	-----	-----
	Total Flat Rate Revenues	-----	-----	\$ -----
	Measured Revenues:			
522.1	Residential Revenues	1,147	1,169	\$ 260,750
522.2	Commercial Revenues	127	130	225,801
522.3	Industrial Revenues	-----	-----	-----
522.4	Revenues From Public Authorities	-----	-----	-----
522.5	Multiple Family Dwelling Revenues	18	18	35,876
	Total Measured Revenues	1,292	1,317	\$ 522,427
523	Revenues From Public Authorities	-----	-----	\$ -----
524	Revenues From Other Systems	-----	-----	-----
525	Interdepartmental Revenues	-----	-----	-----
	Totals	1,292	1,317	\$ 522,427
	Other Sewer Revenues:			
530	Guaranteed Revenue	-----	-----	\$ -----
531	Sale Of Sludge	-----	-----	-----
532	Forfeited Discounts	-----	-----	-----
534	Rents From Sewer Property	-----	-----	-----
535	Interdepartmental Rents	-----	-----	-----
536	Other Sewer Revenues	-----	-----	4,228
	Total Other Sewer Revenues	-----	-----	\$ -----
	Total Sewer Operating Revenues	-----	-----	\$ 526,655

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 19 98

BASIS FOR SEWER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d)/ c (e)
351	Organization	40		2.50%
352	Franchises	40		2.50%
354	Structures and Improvements	32		3.13%
360	Collection Sewers - Force	30		3.33%
361	Collection Sewers - Gravity	45		2.22%
362	Special Collecting Structures	40		2.50%
363	Services to Customers	38		2.63%
364	Flow Measuring Devices	5		20.00%
365	Flow Measuring Installations	38		2.63%
370	Receiving Wells	30		3.33%
371	Pumping Equipment	18		5.56%
380	Treatment and Disposal Equip.	18		5.56%
381	Plant Sewers	35		2.86%
382	Outfall Sewer Lines			
389	Other Plant and Miscellaneous Equipment	18		5.56%
390	Office Furniture and Equip.	15		6.67%
391	Transportation Equipment	6		16.67%
392	Stores Equipment	18		5.56%
393	Tools, Shop and Garage Equip.	16		6.25%
394	Laboratory Equipment			
395	Power Operated Equipment	12		8.33%
396	Communication Equipment	10		10.00%
397	Miscellaneous Equipment	15		6.67%
398	Other Tangible Plant	10		10.00%
	Sewer Plant Composite Depreciation Rate *	N/A		N/A

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d+e) (f)
351	Organization	241	34		34
352	Franchises	1,183	283		283
354	Structures and Improvements	\$ 12,092	\$ 1,859	\$	\$ 1,859
360	Collection Sewers - Force	75,309	7,482		7,482
361	Collection Sewers - Gravity	101,539	5,304		5,304
362	Special Collecting Structures	389	33		33
363	Services to Customers	485	45		45
364	Flow Measuring Devices	3,437	1,124		1,124
365	Flow Measuring Installations	1,071	52		52
370	Receiving Wells	28,690	2,308		2,308
371	Pumping Equipment	70,149	9,149		9,149
380	Treatment and Disposal Equip.	220,168	37,533		37,533
381	Plant Sewers	1,296	84		84
382	Outfall Sewer Lines				
389	Other Plant and Miscellaneous Equipment	4,593	542		542
390	Office Furniture and Equip.	20,054	2,030		2,030
391	Transportation Equipment	(5,981)	8,575		8,575
392	Stores Equipment	921	89		89
393	Tools, Shop and Garage Equip.	6,312	879		879
394	Laboratory Equipment				
395	Power Operated Equipment	1,553	602		602
396	Communication Equipment	10,372	1,049		1,049
397	Miscellaneous Equipment	7,167	406		406
398	Other Tangible Plant	7,468	1,994		1,994
	Total Depreciable Sewer Plant In Service	\$ 568,508	\$ 81,456	\$	\$ 81,456

* Specify nature of transaction.
Use () to denote reversal entries.

ANALYSIS OF ENTRIES IN SEWER ACCUMULATED DEPRECIATION (Cont'd)

PLANT RETIRED (g)	ASSOCIATED SALVAGE AND INSURANCE (h)	ASSOCIATED COST OF REMOVAL (i)	OTHER CHARGES (j)	TOTAL CHARGES (g-h+i+j) (k)	BALANCE AT END OF YEAR (c+f-k) (l)
					275
					1,466
\$	\$	\$	\$	\$	13,951
					82,791
					106,843
					422
					530
					4,561
					1,123
					30,998
					79,298
					257,701
					1,380
					5,135
					22,084
					2,594
					1,010
					7,191
					2,155
					11,421
					7,573
					9,462
\$	\$	\$	\$	\$	649,964

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

UTILITY SYSTEM: Highlands Utilities Corporation

PUMPING EQUIPMENT

Lift station number	---	---	---	---	---	---
Make or type and nameplate data of pump	---	---	---	---	---	---
Year installed	---	---	SCHEDULE	ATTACHED	---	---
Rated capacity	---	---	---	---	---	---
Size	---	---	---	---	---	---
Power:	---	---	---	---	---	---
Electric	---	---	---	---	---	---
Mechanical	---	---	---	---	---	---
Nameplate data of motor	---	---	---	---	---	---
---	---	---	---	---	---	---
Lift station number	---	---	---	---	---	---
Make or type and nameplate data of pump	---	---	SCHEDULE	ATTACHED	---	---
Year installed	---	---	---	---	---	---
Rated capacity	---	---	---	---	---	---
Size	---	---	---	---	---	---
Power:	---	---	---	---	---	---
Electric	---	---	---	---	---	---
Mechanical	---	---	---	---	---	---
Nameplate data of motor	---	---	---	---	---	---
---	---	---	---	---	---	---

SERVICE CONNECTIONS

Size (inches)	3"	4"	---	---	---	---
Type (PVC, VCP, etc.)	PVC	PVC	---	---	---	---
Average length	40	40	---	---	---	---
Number of active service connections	340	918	---	---	---	---
Beginning of year	340	918	---	---	---	---
Added during year	---	---	---	---	---	---
Retired during year	---	---	---	---	---	---
End of year	340	918	---	---	---	---
Give full particulars concerning inactive connections	---	---	---	---	---	---
---	---	---	---	---	---	---

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 19 <u>98</u>

UTILITY SYSTEM: Highlands Utilities Corporation

COLLECTING MAINS

COLLECTING MAINS:						
Size (inches) -----	6"	8"	-----	-----	-----	-----
Type of main -----	-----	-----	-----	-----	-----	-----
Length of main (nearest foot):						
Beginning of year -----	14,700	44,531	-----	-----	-----	-----
Added during year -----	-----	-----	-----	-----	-----	-----
Retired during year -----	-----	-----	-----	-----	-----	-----
End of year -----	14,700	44,531	-----	-----	-----	-----
MANHOLES:						
Size -----	-----	-----	-----	-----	-----	-----
Type -----	-----	-----	-----	-----	-----	-----
Number:						
Beginning of year -----	204	-----	-----	-----	-----	-----
Added during year -----	-----	-----	-----	-----	-----	-----
Retired during year -----	-----	-----	-----	-----	-----	-----
End of year -----	204	-----	-----	-----	-----	-----

FORCE MAINS

FORCE MAINS:						
Size (inches) -----	4"	6"	-----	-----	-----	-----
Type of main -----	-----	-----	-----	-----	-----	-----
Length of main (nearest foot):						
Beginning of year -----	75,710	31,610	-----	-----	-----	-----
Added during year -----	-----	-----	-----	-----	-----	-----
Retired during year -----	-----	-----	-----	-----	-----	-----
End of year -----	75,710	31,610	-----	-----	-----	-----

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: Brunner

TREATMENT PLANT

Manufacturer	<u>Defiance/Pugh</u>		
Type	<u>Extended Aeration</u>		
"Steel" or "Concrete"	<u>Concrete</u>		
Total Capacity	<u>0.015</u>		
Average Daily Flow	<u>0.084</u>		
Effluent Disposal	<u>1 Percolation Pond</u>		
Total Gallons of Sewage Treated	<u>3,072</u>		

MASTER LIFT STATION PUMPS

Manufacturer					
Capacity					
Motor : Mfr.					
Horsepower					
Power (Electric or Mechanical)					

OTHER SEWER SYSTEM INFORMATION

1. Maximum number of ERC's * which can be served. 55

2. Estimated annual increase in ERC's *. 1

3. List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation. FLA014369-263826

4. State any plans and estimated completion dates for any enlargements of this system. None

5. If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:

- Evaluation of the present plant or plants in regard to meeting the DER's rules.
- Plans for funding and construction of the required upgrading.
- Have these plans been coordinated with the DER? _____
- Do they concur? _____
- When will construction begin? _____

6. In what percent of your certificated area have service connections been installed? _____ %

* ERC = (Total Gallons Treated / 365 days) / 275 Gallons Per Day

Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 19 98

SYSTEM NAME: Clearview

TREATMENT PLANT

Manufacturer	<u>Defiance/Pugh</u>		
Type	<u>Extended Aeration</u>		
"Steel" or "Concrete"	<u>Concrete</u>		
Total Capacity	<u>0.038</u>		
Average Daily Flow	<u>0.024</u>		
Effluent Disposal	<u>2 Percolation Ponds</u>		
Total Gallons of Sewage Treated	<u>8,854</u>		

MASTER LIFT STATION PUMPS

Manufacturer					
Capacity					
Motor: Mfr.					
Horsepower					
Power: (Electric or Mechanical)					

OTHER SEWER SYSTEM INFORMATION

1. Maximum number of ERC's * which can be served. 138
2. Estimated annual increase in ERC's *. 2
3. List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation. FLA014394-001-DW3P
4. State any plans and estimated completion dates for any enlargements of this system. None
5. If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
 - a. Evaluation of the present plant or plants in regard to meeting the DER's rules.
 - b. Plans for funding and construction of the required upgrading.
 - c. Have these plans been coordinated with the DER? _____
 - d. Do they concur? _____
 - e. When will construction begin? _____
6. In what percent of your certificated area have service connections been installed? _____ %

* ERC = (Total Gallons Treated / 365 days) / 275 Gallons Per Day

Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT
DECEMBER 31, 1998

SYSTEM NAME: South

TREATMENT PLANT

Manufacturer	<u>Defiance/Pugh</u>		
Type	<u>Extended Aeration</u>		
"Steel" or "Concrete"	<u>Concrete</u>		
Total Capacity	<u>0.060</u>		
Average Daily Flow	<u>0.073</u>		
Effluent Disposal	<u>2 Percolation Ponds</u>		
Total Gallons of Sewage Treated	<u>26,820</u>		

MASTER LIFT STATION PUMPS

Manufacturer					
Capacity					
Motor: Mfr.					
Horsepower					
Power: (Electric or Mechanical)					

OTHER SEWER SYSTEM INFORMATION

1. Maximum number of ERC's * which can be served. 218
2. Estimated annual increase in ERC's *. 3
3. List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation. FLA014353-271049
4. State any plans and estimated completion dates for any enlargements of this system. None
5. If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
 - a. Evaluation of the present plant or plants in regard to meeting the DER's rules.
 - b. Plans for funding and construction of the required upgrading.
 - c. Have these plans been coordinated with the DER?
 - d. Do they concur?
 - e. When will construction begin?
6. In what percent of your certificated area have service connections been installed? %

* $ERC = (Total\ Gallons\ Treated / 365\ days) / 275\ Gallons\ Per\ Day$

Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment

UTILITY NAME: Highlands Utilities Corporation

YEAR OF REPORT DECEMBER 31, 19 <u>98</u>

SYSTEM NAME: Western Blvd.

TREATMENT PLANT

Manufacturer	<u>Defiance/Pugh</u>		
Type	<u>Extended Aeration</u>		
"Steel" or "Concrete"	<u>Steel</u>		
Total Capacity	<u>0.200</u>		
Average Daily Flow	<u>0.117</u>		
Effluent Disposal	<u>2 Percolation Ponds</u>		
Total Gallons of Sewage Treated	<u>42,780</u>		

MASTER LIFT STATION PUMPS

Manufacturer					
Capacity					
Motor : Mfr.					
Horsepower					
Power (Electric or Mechanical)					

OTHER SEWER SYSTEM INFORMATION

1. Maximum number of ERC's * which can be served. 727
2. Estimated annual increase in ERC's *.
3. List permit numbers required by Chapter 17-4, Rules of the Department of Environmental Regulation (DER) for systems in operation. FLA014328-002-DW2P
4. State any plans and estimated completion dates for any enlargements of this system. None
5. If present systems do not meet the requirements of Chapter 17-4, Rules of the DER, submit the following:
 - a. Evaluation of the present plant or plants in regard to meeting the DER's rules.
 - b. Plans for funding and construction of the required upgrading.
 - c. Have these plans been coordinated with the DER? _____
 - d. Do they concur? _____
 - e. When will construction begin? _____
6. In what percent of your certificated area have service connections been installed? _____ %

* $ERC = (Total\ Gallons\ Treated / 365\ days) / 275\ Gallons\ Per\ Day$

Note: Total Gallons Treated includes both sewage treated and purchased sewage treatment

UTILITY NAME: Highlands Utilities Corporation
 UTILITY SYSTEM: Highlands Utilities Corporation

YEAR OF REPORT
 DECEMBER 31, 1998

CALCULATION OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL UNITS

METER SIZE * (a)	TYPE OF METER * (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
5/8"	Displacement	1.0	1,343	1,343
3/4"	Displacement	1.5		
1"	Displacement	2.5	20	50
1 1/2"	Displacement or Turbine	5.0	11	55
2"	Displacement, Compound or Turbine	8.0	22	176
3"	Displacement	15.0	5	75
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0	2	50
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Sewer System Meter Equivalents			1,403	1,749

CALCULATION OF THE SEWER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

$$\left(\frac{81,561,000}{\text{(total gallons treated)}} / 365 \text{ days} \right) / 275 \text{ gpd} = 812.56$$

UTILITY NAME: HIGHLANDS UTILITIES CORP.

1998 YEAR END REPORT
YEAR ENDING DECEMBER 31, 1998

UTILITY SYSTEM: HIGHLANDS UTILITIES CORP.

DATE	METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NO. OF METER EQUIVALENT (cxd)=(e)	TOTAL NO. OF TREATED GALLONS (gal/365)/275= ERC'S	SYSTEMS EQUIVALENT RESIDENTIAL CONNECTION
Jun 14, 1999	5/8"	DISPLACEMENT	1.0 X	1,343 =	1343.00	37,102,000	370.78
	3/4"	DISPLACEMENT	1.5 X	0 =	.00	0	.00
	1"	DISPLACEMENT	2.5 X	20 =	50.00	7,553,000	75.25
	1-1/2"	DISPLACEMENT	5.0 X	11 =	55.00	7,968,000	79.59
	2"	DISPLACEMENT	8.0 X	22 =	176.00	15,787,000	157.26
	3"	DISPLACEMENT	15.0 X	5 =	75.00	10,073,000	100.37
	3"	COMPOUND	16.0 X	0 =	.00	0	.00
	3"	TURBINE	17.5 X	0 =	.00	0	.00
	4"	DISP-COMPOUND	25.0 X	2 =	50.00	953,000	9.50
	4"	TURBINE	30.0 X	0 =	.00	0	.00
	6"	DISP-COMPOUND	50.0 X	0 =	.00	0	.00
	6"	TURBINE	62.5 X	0 =	.00	0	.00
	8"	COMPOUND	80.0 X	0 =	.00	0	.00
	8"	TURBINE	90.0 X	0 =	.00	0	.00
	10"	COMPOUND	115.0 X	0 =	.00	0	.00
	10"	TURBINE	145.0 X	0 =	.00	0	.00
	DM	DM METER NO. NOT ADD. IN		3 =	FLOW ADD. IN	2,105,000	20.98
		TOTAL		1,403 =	1749.00	81,561,000	813.73

TOTAL SEWER SYSTEM METER EQUIVALENTS ----- 1749.00
=====

CALCULATION OF SEWER SYSTEMS EQUIVALENT RESIDENTIAL CONNECTIONS

(81,561,000 / 365 DAYS) / 275 GPD = 813.73
=====

(TOTAL GALLONS TREATED)

DATE Jun 14, 1999

HUCC-98 ANNUAL REPORT - ON EACH LIFT STATION IN LAKE PLACID - FLOW AND ERC'S							
LIFT STATION NO.	NAME	YTD GAL TREATED	YTD MGD TREATED	AVERAGE GPD	ERC'S BY YTD GAL	NO OF METER	ERC BY METER
01	DC - DASIC CAR	4,126,000	4.126	11,310	41.15	26	50.00
02	KM - KINGSWOOD MA	1,757,000	1.757	4,812	17.57	49	39.20
03	WD - WINN DIXIE	4,587,000	4.587	12,566	45.70	12	27.00
04	GR -	0	.000	0	.00	0	.00
05	RR - ROSEWOOD R.C	5,528,000	5.528	15,145	55.07	22	57.90
06	MF - MOTER PARTS	1,477,000	1.477	4,049	14.73	9	14.50
07	PC - PLACID CAMPG	1,255,000	1.255	3,438	12.50	1	8.00
08	PA - PLACID ARMS	2,715,000	2.715	7,438	27.06	1	15.00
09	PH - PINES OF HUN	413,000	.413	1,133	4.13	18	14.40
10	TP - TERR.LAKE PL	469,000	.469	1,282	4.69	24	19.20
11	LC - LAKE COUNTY	942,000	.942	2,581	9.39	1	25.00
12	WE - WATEREDGE	1,234,000	1.234	3,380	12.34	27	21.60
13	FL - FOOD LION	738,000	.738	2,022	7.38	3	15.50
14	HL - HEARING LAND	888,000	.888	2,432	8.88	38	30.80
15	YY - YESTERYEAR	90,000	.090	247	.90	4	3.20
16	-- - -none-----	0	.000	0	.00	0	.00
LIFT STATION TOTAL		26,221,000	26.221	71,835	261.46	235	341.30

HUCC-98 ANNUAL REPORT - ON EACH LIFT STATION IN SEBRING - FLOW AND ERC'S							
LIFT STATION NO.	NAME	YTD GAL TREATED	YTD MGD TREATED	AVERAGE GPD	ERC'S BY YTD GAL	NO OF METER	ERC BY METER
01	WB - WESTER BLVD	0	.000	0	.00	0	.00
02	CT - CLEARVIEW	2,691,000	2.691	7,372	26.86	49	41.80
03	SF - SEBRING FLLL	4,616,000	4.616	12,642	46.10	127	112.46
04	WM - WOODHAVEN MA	6,324,000	6.324	17,319	63.23	319	255.60
05	GC - GOLDEN CORRA	222,000	.222	608	2.21	2	27.50
06	HR - H. R. S.	87,000	.087	238	.87	1	5.00
07	FB - FAT BOY'S	1,045,000	1.045	2,883	10.41	3	5.80
08	HT - HAMMOCK TERR	475,000	.475	1,300	4.75	18	14.40
09	SV - SEBRING VILL	10,083,000	10.083	27,625	100.80	378	302.80
10	S2 - SEBRING VILL	114,000	.114	312	1.14	2	1.60
11	DO - DON OFFICE	1,445,000	1.445	3,955	14.41	16	16.60
12	SN - SEBRING NEW	1,835,000	1.835	5,026	18.28	5	8.00
13	LP - LAKEVIEW PLA	320,000	.320	876	3.19	12	12.00
14	KH - KELTON HILL	356,000	.356	976	3.55	2	10.50
15	SA - SUPER AMERIC	63,000	.063	173	.63	1	8.00
16	VF - VILLAGE FOUN	872,000	.872	2,388	8.68	4	7.00
17	CS - COLONY SQUAR	2,481,000	2.481	6,797	24.72	2	10.00
18	WG - WILLOW GATE	1,097,000	1.097	3,005	10.97	42	33.80
19	RC - BRUNNERS	3,047,000	3.047	8,345	30.42	84	82.00
20	DK - DR. K	86,000	.086	236	.86	1	1.00
21	LS - LAKE SHORE	16,116,000	16.116	44,154	160.57	13	105.00
LIFT STATION TOTAL		53,375,000	53.375	146,214	532.65	1,081	1060.68

01	BP - BRUNNERS	3,047,000	3.047	8,345	30.42	84	82.00
02	CP - CLEARVIEW	8,514,000	8.514	23,320	84.94	147	154.68
03	SP - SOUTH	26,221,000	26.221	71,835	261.46	235	341.30
04	WP - WESTERN BLVD	41,814,000	41.814	114,549	417.29	850	824.20
05	-----NONE-----	0	.000	0	.00	0	.00
HUCC-98 ALL PLANTS TOTAL		79,596,000	79.596	218,049	794.11	1,316	0

HUCO-98 ANNUAL REPORT - EACH LIFT STATION IN LAKE PLACID - INVENTORY @S7-1P8

LIFT STATION NO.	NAME	PUMP HP	FORCE MAIN	MH NO	MH FT	8" GV LINES	6" GV LINES	NO OF UNIT	IN USE
1	OC - OASIS CAR	7.5	10,855	5	71	2,680	0	30	26
2	KM - KINGSWOOD MANOR	7.5	6,680	6	40	0	1,230	48	49
3	WD - WINN DIXIE	2.0	150	2	17	650	0	12	12
4									0
5	RR - ROSEWOOD R.C.	7.5	1,820	1	5	920	0	30	29
6	MP - MOTER PARTS	7.5	300	5	30	930	0	6	5
7	PC***PLACID CAMPGROUND	2.0	7,000	0	0	0	0	1	1
8	PA***PLACID ARMS	7.5	3,500	2	11	545	187	33	1
9	PH - PINES OF HUNTLEY	7.5	1,500	3	15	470	350	18	19
10	TP - TERRACE L. PLACID	7.5	450	6	30	1,147	0	33	24
11	LC - LAKE COUNTY SCHOD	7.5	6,860	1	8	300	0	1	1
12	WE - WATEREDGE	7.5	1,730	13	91	3,221	0	55	27
13	FL***FOOD LION	1.8	680	4	19	178	923	9	0
14	HL - HEARING LANDING	7.5	2,700	5	33	1,250	0	38	38
15	YY - YESTERYEAR	7.5	450	3	25	825	25	20	
***lift station not huco									
LAKE PLACID TOTAL		80.3	45,075	60	395	13,156	2,725	334	238
---lift station out of sevice									

HUCO-98 ANNUAL REPORT ON EACH LIFT STATION IN SEBRING - INVENTORY @S7-1P8

LIFT STATION NO.	NAME	PUMP HP	FORCE MAIN	MH NO	MH FT	8" GV LINES	6" GV LINES	NO OF UNIT	IN USE
1	WB - WESTER BLVD.	7.5	18,100	0	0	0	0	0	0
2	CT - CLEARVIEW TERRACE	0.5	800	14	42	1,134	3,062	100	4
3	SF - SEBRING FALLS	7.5	3,300	23	80	5,500	0	161	12
4	WM - WOODHAVEN MANOR	0.5	2,000	34	102	10,210	1,300	314	319
5	GC - GOLDEN CORRAL	7.5	2,150	4	20	320	0	3	
6	HR - H. R. S.	1.0	4,800	0	0	0	0	1	
7	FB - FAT BOY'S	7.5	3,300	1	3	250	0	4	
8	HT - HAMMOCK TERRACE	0.5	3,200	6	32	700	1,715	33	18
9	SV - SEBRING VILLAGE	7.5	9,260	11	36	2,550	0	164	370
10	S2 - SEBRING VILLAGE	5.0	1,800	30	114	7,850	0	235	
11	DO - DON OFFICE	7.5	2,800	3	15	300	0	16	16
12	SN***SEBRING NEW	5.0	2,500	1	9	400	0	3	5
13	LP***LAKEVIEW PLAZA	0.5	0	0	0	0	0	11	12
14	KH - KELTON HILL	0.5	1,750	0	0	0	0	2	2
15	SA***SUPER AMERICA	5.0	0	0	0	0	0	1	
16	VF***VILLAGE FOUNTAIN	7.5	0	0	0	0	0	17	
17	CS***COLONY SQUARE	7.5	0	0	0	0	0	1	2
18	WG - WILLOW GATE	0.5	800	?	?	?	?	40	42
19	RC - BRUNNERS	0.5	10	10	44	600	3,000	84	84
20	DK - DR. KENRDICK	2.8	150	0	0	200	0	4	1
21	LS - LAKE SHORE	15.0	2,000	?	?	?	?	10	17
***lift station not huco									
SEBRING TOTAL		81.8	58,720	137	497	30,014	9,077	1,204	1,081
HUCO-98 @S7-1P8			103,795		892		11,802		1,317
INVENTORY TOTAL		162.1		197		43,170		1,538	

=====
HIGHLANDS UTILITIES CORP. + PSC 1998 ANNUAL INVENTORY REPORT @7A-1P8
=====

Jun 14, 1999

1998
INVENTORY
REPORT
@01-1P8

- 1- ALL LIFT STATION PUMPS HORSE POWER
2- NO. OF FT. ON EACH FORCE MAIN BY LIFT STATION
3- NO. OF MAN HOLES BY LIFT STATION
4- NO. OF FEET OF MAN HOLES BY LIFT STATION
4- NO. OF FEET OF MAN HOLES BY LIFT STATION
5- NO. OF FEET OF 8 IN. PIPE BY LIFT STATION
6- NO. OF FEET OF 6 IN. PIPE BY LIFT STATION
7- NO. OF UNIT BY LIFT STATION
8- NO. OF UNIT IN USE BY LIFT STATION

=====
Jun 14, 1999