

Heartland Utilities, Inc.

P. O. Box 1991  
Sebring, Florida 33871

WS-96-0068

RECEIVED

APR 18 1996

April 16, 1996

Florida Public Service Commission  
Division of Water and Wastewater

Mr. Charles Hill, Director  
Division of Water and Wastewater  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0870

960517-WU

Re: Heartland Utilities 420-W  
SARC

Dear Mr. Hill:

Please find enclosed an application for a staff assisted rate case.

I am requesting that Stan Reiger be assigned the engineer since he is familiar with our system and operations and has worked with us previously.

Thank you,

*Howard Short*  
Howard Short

HS/cs

ADMINISTRATION MAIL ROOM  
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DOCUMENT NUMBER-DATE  
04629 APR 22 96  
FPSC-RECORDS/REPORTING

04/19/96  
PAGE 1

THE WATER AND SEWER TARIFF FILING INFORMATION SYSTEM

TARIFF FILING ADD AUDIT TRAIL

FILE NO: WS-96-0068 FILE REC'D: 04/18/96 DOCKET NO: N/A

SYSTEM CODE:  
COMPANY NAME: HEARTLAND UTILITIES

FILING ASSIGN TO: BUR. SAB OPR. OTC. ATTY.

TYPE: SARC DESCRIPTION: APPLICATION FOR A STAFF ASSISTED RATE CASE.

OFCL. FILING: 04/18/96

ACTION: G

HEARING DATE: / /

RECOMMENDATION DATE: / /

AGENDA DATE: / /

ANTICIPATED EFFECTIVE DATE: 06/17/96

FINAL EFFECTIVE DATE: / /

ORDER NUMBER:

FILE CLOSE DATE: / /

LOCATION: A STATUS: O

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A  
STAFF ASSISTED RATE CASE

960517- WJ

I. General Data

A. Name of utility HEARTLAND UTILITIES, INC.

B. Address P.O. Box 1991  
Sebring, Fl 33871

1. Telephone Nos. (941) 655-4300 or (941) 385-5977

2. County Highlands Nearest city Sebring

3. General area served Sebring Country Estates and DeSoto City

C. Authority:

1. Water Certificate No. 420-W Date received 1989

2. Sewer Certificate No. -- Date received --

3. Date utility started operations: Water Unknown Sewer \_\_\_\_\_

D. How system was acquired Purchased

If utility was purchased, give date 1989 Amount Paid 115,000

1. Name of Seller Ruth McGrath

2. Was seller affiliated with present owners? No

3. Did you purchase: Stock \_\_\_\_\_ or assets only X

E. Type of legal entity: Corporation, Partnership or Sole

Proprietorship Corporation

F. Ownership & Officers:

|    | <u>Name</u>         | <u>Title</u>       | <u>Percent Ownership</u> |
|----|---------------------|--------------------|--------------------------|
| 1. | <u>Howard Short</u> | <u>President</u>   | <u>50%</u>               |
| 2. | <u>Coleen Short</u> | <u>Sec. Treas.</u> | <u>50%</u>               |
| 3. | <u>_____</u>        | <u>_____</u>       | <u>_____</u>             |
| 4. | <u>_____</u>        | <u>_____</u>       | <u>_____</u>             |

G. List of Associated Companies and Addresses:

1. N/A
2. \_\_\_\_\_
3. \_\_\_\_\_

H. If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

II. Accounting Data

A. Outside Accountant

1. Name Dan Dorrell
2. Firm Dorrell and Hancock
3. Address 435 South Commerce Avenue, Sebring
4. Telephone (941) 385-1577

B. Individual to contact on accounting matters:

1. Name Dan Dorrell
2. Telephone (941) 385-1577

C. Location of books and records Dorrell's Office

D. Have you filed an Annual Report with the Commission? Yes

Date last filed 3-31-96

E. Has your latest semiannual regulatory assessment fee payment been made (January 30 or July 30 whichever is applicable)? Yes

F. Basic Rate Base Data (Most recent two years)

| 1. Water                       | 19 <u>95</u>        | 19 <u>94</u>        |
|--------------------------------|---------------------|---------------------|
| Cost of Plant In Service:      | \$ <u>1,092,557</u> | \$ <u>1,050,316</u> |
| Less Accumulated Depreciation: | <u>362,359</u>      | <u>327,466</u>      |
| Less Contributed Plant:        | <u>454,092</u>      | <u>420,986</u>      |
| Net Owner's Investment:        | \$ <u>276,106</u>   | \$ <u>301,864</u>   |

|                                |     |          |          |
|--------------------------------|-----|----------|----------|
| 2. Sewer                       | N/A | 19__     | 19__     |
| Cost of Plant In Service:      |     | \$ _____ | \$ _____ |
| Less Accumulated Depreciation: |     | _____    | _____    |
| Less Contributed Plant:        |     | _____    | _____    |
| Net Owner's Investment:        |     | \$ _____ | \$ _____ |

G. Basic Income Statement (Most recent two years):

|  |  |                    |                    |
|--|--|--------------------|--------------------|
| 1. Water   |  | 19 <u>95</u>       | 19 <u>94</u>       |
| Revenues (By Class):   |  |                    |                    |
| a. Residential   |  | \$ <u>135,950</u>  | \$ <u>126,327</u>  |
| b. _____   |  | _____              | _____              |
| c. _____   |  | _____              | _____              |
| Total Operating Revenues:  |  | \$ _____           | \$ _____           |
| Less Expenses:   |  |                    |                    |
| a. Salaries & Wages - Employees  |  | \$ <u>17,220</u>   | \$ <u>6,413</u>    |
| b. Salaries & Wages - Officers,<br>Directors, & Majority<br>Stockholders |  | _____              | _____              |
| c. Employee Pensions & Benefits  |  | _____              | _____              |
| d. Purchased Water   |  | _____              | _____              |
| e. Purchased Power   |  | <u>7,736</u>       | <u>7,556</u>       |
| f. Fuel for Power Production   |  | <u>610</u>         | <u>751</u>         |
| g. Chemicals   |  | <u>765</u>         | <u>2,200</u>       |
| h. Materials & Supplies  |  | <u>23,051</u>      | <u>10,571</u>      |
| i. Contractual Services  |  | <u>15,455</u>      | <u>46,992</u>      |
| j. Rents   |  | <u>449</u>         | <u>112</u>         |
| k. Transportation Expenses   |  | <u>5,947</u>       | <u>1,267</u>       |
| l. Insurance Expense   |  | <u>10,980</u>      | <u>1,808</u>       |
| m. Regulatory Commission Expense   |  | <u>5,685</u>       | <u>5,656</u>       |
| n. Bad Debt Expense  |  | _____              | _____              |
| o. Miscellaneous Expense   |  | <u>30,850</u>      | <u>30,591</u>      |
| p. Depreciation Expense  |  | <u>34,893</u>      | <u>31,763</u>      |
| q. Property Taxes  |  | <u>4,380</u>       | <u>2,921</u>       |
| r. Other Taxes   |  | <u>2,816</u>       | <u>1,247</u>       |
| s. Income Taxes  |  | <u>18,840</u>      | <u>9,711</u>       |
| Operating Income (Loss)  |  | \$ <u>(43,727)</u> | \$ <u>(33,232)</u> |

2. Sewer

N/A

19\_\_

19\_\_

Revenues (By Class):

|                           |          |          |
|---------------------------|----------|----------|
| a. _____                  | \$ _____ | \$ _____ |
| b. _____                  | _____    | _____    |
| c. _____                  | _____    | _____    |
| Total Operating Revenues: | \$ _____ | \$ _____ |

Less Expenses:

|  |          |          |
|--|----------|----------|
| a. Salaries & Wages - Employees  | \$ _____ | \$ _____ |
| b. Salaries & Wages - Officers,<br>Directors, & Majority<br>Stockholders | _____    | _____    |
| c. Employee Pensions & Benefits  | _____    | _____    |
| d. Purchased Sewage Treatment  | _____    | _____    |
| e. Sludge Removal Expense  | _____    | _____    |
| f. Purchased Power   | _____    | _____    |
| g. Fuel for Power Production   | _____    | _____    |
| h. Chemicals   | _____    | _____    |
| i. Materials & Supplies  | _____    | _____    |
| j. Contractual Services  | _____    | _____    |
| k. Rents   | _____    | _____    |
| l. Transportation Expenses   | _____    | _____    |
| m. Insurance Expense   | _____    | _____    |
| n. Regulatory Commission Expense   | _____    | _____    |
| o. Bad Debt Expense  | _____    | _____    |
| p. Miscellaneous Expense   | _____    | _____    |
| q. Depreciation Expense  | _____    | _____    |
| r. Property Taxes  | _____    | _____    |
| s. Other Taxes   | _____    | _____    |
| t. Income Taxes  | _____    | _____    |
| Operating Income (Loss)  | \$ _____ | \$ _____ |

H. Outstanding Debt:

|    | <u>Creditor</u>   | <u>Date<br/>Borrowed</u> | <u>Balance<br/>Due</u> | <u>Interest<br/>Rate</u> | <u>Expiration<br/>Date</u> |
|----|-------------------|--------------------------|------------------------|--------------------------|----------------------------|
| 1. | Home Savings Bank | 1989<br>1994             | 312,970                | 9%                       | 2004                       |
| 2. | _____             | _____                    | _____                  | _____                    | _____                      |
| 3. | _____             | _____                    | _____                  | _____                    | _____                      |
| 4. | _____             | _____                    | _____                  | _____                    | _____                      |

I. Indicate Type of Tax Return Filed:

|              |  |
|--------------|--|
| <u>  X  </u> | Form 1120 - Corporation                              |
| _____        | Form 1120S - Subchapter S Corporation                |
| _____        | Form 1065 - Partnership                              |
| _____        | Form 1040 - Schedule C - Individual (Proprietorship) |

III: Engineering Data

A. Outside Engineering Consultant:

1. Name None under Contract
2. Firm \_\_\_\_\_
3. Address \_\_\_\_\_
4. Telephone (\_\_\_\_) \_\_\_\_\_

B. Individual to contact on engineering matters:

1. Name \_\_\_\_\_
2. Telephone (\_\_\_\_) \_\_\_\_\_

C. Is the utility under citation by the Department of Environmental Regulation (DER) or county health department? If yes, explain. \_\_\_\_\_

No

D. List any known service deficiencies and steps taken to remedy problems. None

E. Name of plant operator(s) and DER operator certificate number(s) held. Howard Short A-3304

F. Is the utility serving customers outside of its certificated area? No If yes, explain. \_\_\_\_\_

G. Wastewater: N/A

1. Gallons per day capacity of treatment facilities existing \_\_\_\_\_  
\_\_\_\_\_ under construction \_\_\_\_\_ proposed \_\_\_\_\_
2. Type and make of present treatment facilities \_\_\_\_\_
3. Approximate average daily flow of treatment plant effluent \_\_\_\_\_
4. Approximate length of sewer mains:  
Size (diameter) \_\_\_\_\_  
Linear feet \_\_\_\_\_
5. Number of manholes \_\_\_\_\_
6. Number of liftstations \_\_\_\_\_
7. How do you measure treatment plant effluent? \_\_\_\_\_
8. Is the treatment plant effluent chlorinated? \_\_\_\_\_ If yes, what is the normal dosage rate? \_\_\_\_\_

9. Tap in fees - Sewer \$ \_\_\_\_\_
10. Service availability fees - Sewer \$ \_\_\_\_\_
11. Note DER Treatment Plant Certificate Number and date of expiration: Number \_\_\_\_\_ Expiration Date \_\_\_\_\_
12. Total gallons treated during most recent twelve months \_\_\_\_\_
13. Sewage treatment purchased during most recent twelve months \_\_\_\_\_

H. Water

1. Gallons per day capacity of treatment facilities existing 400,000 GPD  
 \_\_\_\_\_ under construction 0 proposed 0
2. Type of treatment Aeration, Chlorination
3. Approximate average daily flow of treated water 167,000 GPD
4. Source of water supply Deep Wells
5. Types of chemicals used and their normal dosage rates \_\_\_\_\_  
Chlorine, 12 mg/l and 6 mg/l
6. Number of wells in service 3 Total capacity in gallons per  
 minute (gpm) 900  

|                     |                 |                |                |
|---------------------|-----------------|----------------|----------------|
| Diameter/Depth      | <u>12"/1200</u> | <u>8"/1500</u> | <u>8"/1500</u> |
| Motor horsepower    | <u>20</u>       | <u>10</u>      | <u>10</u>      |
| Pump capacity (gpm) | <u>300</u>      | <u>300</u>     | <u>300</u>     |
7. Reservoirs and/or hydropneumatic tanks:

|             |               |               |               |
|-------------|---------------|---------------|---------------|
| Description | <u>Steel</u>  | <u>Steel</u>  | <u>Steel</u>  |
| Capacity    | <u>11,000</u> | <u>10,000</u> | <u>10,000</u> |
8. High service pumping:

|                     |            |            |       |
|---------------------|------------|------------|-------|
| Motor horsepower    | <u>15</u>  | <u>15</u>  | _____ |
| Pump capacity (gpm) | <u>300</u> | <u>300</u> | _____ |
9. How do you measure treatment plant production? Meter
10. Approximate feet of water mains:

|                 |              |              |              |             |
|-----------------|--------------|--------------|--------------|-------------|
| Size (diameter) | <u>6"</u>    | <u>4"</u>    | <u>2"</u>    | <u>3"</u>   |
| Linear feet     | <u>15850</u> | <u>37595</u> | <u>10675</u> | <u>3000</u> |



11. Note any fire flow requirements and imposing government agency  
Highlands County 500 GPM
12. Number of fire hydrants in service 4
13. Do you have a meter change out program? Yes
14. Meter installation or tap in fees - Water \$ 500
15. Service availability fees - Water \$ 0
16. Has the existing treatment facility been approved by DER?  
Yes
17. Total gallons pumped during most recent twelve months 61,018,000
18. Total gallons sold during most recent twelve months 46,198,000
19. Gallons unaccounted for during most recent twelve months 14,820,000
20. Gallons purchased during most recent twelve months 0

IV. Rate Data

A. Individual to contact on tariff matters:

1. Name Howard Short
2. Telephone Number (941) 655-4300 or 941-385-5977

B. Schedule of present rates (Attach additional sheet if more space is needed):

1. Water:

- |                      |                               |
|----------------------|-------------------------------|
| a. Residential Water | <u>attached tariff sheets</u> |
| b. General Service   | <u>_____</u>                  |
| c. Special Contract  | <u>_____</u>                  |
| d. Other             | <u>_____</u>                  |

2. Sewer:

- |                      |              |
|----------------------|--------------|
| a. Residential Sewer | <u>_____</u> |
| b. General Service   | <u>_____</u> |
| c. Special Contract  | <u>_____</u> |
| d. Other             | <u>_____</u> |

C. Number of Customers (Most recent two years):

|                                  |       |       |
|----------------------------------|-------|-------|
| 1. Water Metered                 | 19_95 | 19_94 |
| a. Residential                   | 630   | 615   |
| b. General Service               | _____ | _____ |
| c. Special Contract              | _____ | _____ |
| d. Other - specify<br>Commercial | 13    | 13    |
| 2. Water Unmetered               | 19__  | 19__  |
| a. Residential                   | 0     | _____ |
| b. General Service               | _____ | _____ |
| c. Special Contract              | _____ | _____ |
| d. Other - specify               | _____ | _____ |
| 3. Sewer        NA               | 19__  | 19__  |
| a. Residential                   | _____ | _____ |
| b. General Service               | _____ | _____ |
| c. Special Contract              | _____ | _____ |
| d. Other - specify               | _____ | _____ |

V Affirmation

I, Howard Short the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge and belief.

Signed Howard Short  
 Title President

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.

NAME OF COMPANY HEARTLAND UTILITIES, 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 schedules 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"             | \$ 6.86                     |
|             | 3/4"                    | 10.31                       |
|             | 1"                      | 17.17                       |
|             | 1 1/2"                  | 34.32                       |
|             | 2"                      | 54.90                       |
|             | 3"                      | 109.80                      |
|             | 4"                      | 171.54                      |
|             | 6"                      | 343.13                      |
|             | <u>Gallonage Charge</u> |                             |
|             | Per 1,000 Gallons       | \$ 1.63                     |

BASE FACILITY CHARGE - \$ 6.86

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 - AUGUST 25, 1995  
Howard E. Short  
ISSUING OFFICER

TYPE OF FILING - 1995 PRICE INDEX  
RATE ADJUSTMENT  
President  
TITLE

NAME OF COMPANY HEARTLAND UTILITIES, INC.  
WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service for all purposes in private residences and individually metered apartment units.
- 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"       | \$ 6.86                     |
|             | 3/4"              | 10.31                       |
|             | 1"                | 17.17                       |
|             | 1 1/2"            | 34.32                       |
|             | 2"                | 54.90                       |
|             | 3"                | 109.80                      |
|             | 4"                | 171.54                      |
|             | 6"                | 343.13                      |

|  |                         |         |
|--|-------------------------|---------|
|  | <u>Gallonage Charge</u> |         |
|  | Per 1,000 Gallons       | \$ 1.63 |

BASE FACILITY CHARGE - \$ 6.86

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 - AUGUST 25, 1995  
Howard E. Short  
ISSUING OFFICER

TYPE OF FILING - 1995 PRICE INDEX  
RATE ADJUSTMENT  
President  
TITLE

NAME OF COMPANY HEARTLAND UTILITIES, INC.

WATER TARIFF MULTI-RESIDENTIAL SERVICE

RATE SCHEDULE MS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For water service to all master-metered residential customers including, but not limited to, Condominiums, Apartments, and Mobile Home Parks.

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"       | \$ 6.86                     |
|             | 3/4"              | 10.31                       |
|             | 1"                | 17.17                       |
|             | 1 1/2"            | 34.32                       |
|             | 2"                | 54.90                       |
|             | 3"                | 109.80                      |
|             | 4"                | 171.54                      |
|             | 6"                | 343.13                      |

|                         |         |
|-------------------------|---------|
| <u>Gallonage Charge</u> |         |
| Per 1,000 Gallons       | \$ 1.63 |

BASE FACILITY CHARGE - \$ 6.86

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 - AUGUST 25, 1995 Howard E. Short  
ISSUING OFFICER

TYPE OF FILING - 1995 PRICE INDEX President  
RATE ADJUSTMENT TITLE