

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment  
of Certificate No. 104-S to  
extend service territory in  
Pasco County by Hudson  
Utilities, Inc., and request for  
limited proceeding.

DOCKET NO. 981079-SU  
ORDER NO. PSC-99-1916-PAA-SU  
ISSUED: September 27, 1999

The following Commissioners participated in the disposition of  
this matter:

JOE GARCIA, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
JULIA L. JOHNSON  
E. LEON JACOBS, JR.

ORDER AMENDING CERTIFICATE TO INCLUDE  
ADDITIONAL TERRITORY, DECLINING TO INITIATE A SHOW  
CAUSE PROCEEDING, AND APPROVING TRANSFER OF SERVICE  
TERRITORY  
AND  
NOTICE OF PROPOSED AGENCY ACTION  
ORDER DECLINING TO ESTABLISH RATE BASE OR CALCULATE  
AN ACQUISITION ADJUSTMENT, GRANTING THE LIMITED  
PROCEEDING, AND APPROVING RATES AND CHARGES  
FOR THE SIGNAL COVE CUSTOMERS

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service  
Commission that the actions regarding our decision not to establish  
rate base and not to calculate an acquisition adjustment and  
approving the rates and charges for the Signal Cove customers, as  
set forth herein, are preliminary in nature and will become final  
unless a person whose interests are substantially affected files a

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

#### BACKGROUND

On August 26, 1998, Hudson Utilities, Inc. (Hudson or utility) filed an application for amendment of Certificate No. 104-S to include additional territory in Pasco County. Hudson, which is a Class B utility, was granted Certificate No. 104-S on June 19, 1973. The utility provides wastewater collection service to its customers and contracts with Pasco County (County) for wastewater treatment service pursuant to a Bulk Wastewater Treatment Agreement (Agreement) entered into on June 5, 1990. Hudson serves approximately 1,468 residential and 87 commercial customers.

Hudson is requesting to extend service to 396 customers outside of its certificated territory, which the utility is already serving, and to prospective customers adjacent to its service area. Hudson is also requesting to transfer certain territory within the County's jurisdiction through an Addendum to the Agreement with the County.

On November 6, 1998, Hudson submitted a request for a limited proceeding, which was added to this docket. The limited proceeding was filed to address a difference in rates applied to those customers currently served by the County and the remaining areas included in the amendment application.

#### NO SHOW CAUSE REQUIRED

As previously noted, Hudson is serving 396 customers outside of its certificated territory. Section 367.045(2), Florida Statutes, states, "A utility may not . . . extend its service outside the area described in its certificate of authorization until it has obtained an amended certificate of authorization from the [C]ommission."

Section 367.161(1), Florida Statutes, authorizes the Commission to assess a penalty of not more than \$5,000 for each offense, if a utility is found to have knowingly refused to comply

with, or to have willfully violated any provision of Chapter 367, Florida Statutes. In serving outside of its certificated territory without obtaining an amended certificate of authorization, the utility's action was "willful" in the sense intended by Section 367.161, Florida Statutes. In Order No. 24306, issued April 1, 1991, in Docket No. 890216-TL, titled In Re: Investigation Into The Proper Application of Rule 25-14.003, Florida Administrative Code, Relating to Tax Savings Refund For 1988 and 1989 For GTE Florida, Inc., the Commission having found that the company had not intended to violate the rule, nevertheless found it appropriate to order it to show cause why it should not be fined, stating that "[i]n our view, 'willful' implies an intent to do an act, and this is distinct from an intent to violate a statute or rule."

Although Hudson's failure to obtain an amended certificate of authorization prior to serving outside of its certificated area is an apparent violation of Section 367.045(2), Florida Statutes, according to its application, the utility erroneously believed that the 396 customers were included in its service area and paid all the necessary regulatory fees for serving the area. Furthermore, by its application, the utility now seeks to add this territory to its service area.

Based on the foregoing, we do not find that the apparent violation of Section 367.045, Florida Statutes, rises in these circumstances to the level which warrants the initiation of a show cause proceeding. Therefore, Hudson shall not be required to show cause for failure to obtain an amended certificate of authorization prior to serving outside of its certificated territory.

#### APPLICATION

Except as discussed previously, the application is in compliance with Section 367.045, Florida Statutes, and other pertinent statutes and provisions of the Florida Administrative Code. The application contains a filing fee in the amount of \$1,750, pursuant to Rule 25-30.020, Florida Administrative Code.

Rule 25-30.036(3)(d), Florida Administrative Code, requires a utility to provide evidence that it owns or has continued use of

the land upon which its facilities are located. The utility's wastewater collection system is constructed in platted road right-of-ways and easements, which provide for continued use of the land upon which the facilities are located. Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.036(3)(e), (f) and (i), Florida Administrative Code.

The application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. On September 24, 1998, a customer timely filed a letter objecting to the application "due to lack of information." Our staff responded to the letter on October 26, 1998. On August 3, 1999, our staff also contacted the customer by telephone and confirmed that she did not wish to pursue her objection and did not request a formal proceeding.

Also in response to the notice, on December 28, 1998, seven Krag Drive residents submitted a petition in which they objected to being required to connect to a wastewater system while their septic tanks seemed to be functioning properly. Our staff telephoned most of the residents, and on January 14, 1999, mailed letters to all of the residents in response to their concerns. The letters informed the residents that the mandatory hook up policy is a County requirement and any objection to the policy should be addressed to the County. The residents were asked to contact our staff by February 8, 1999, if they wished to pursue a formal hearing. None of the residents contacted our staff within the time period specified, and none indicated that they wished to commence a formal proceeding. No additional objections to the application have been received, and the time for filing such has expired.

According to information filed with the application, Hudson has the financial and technical ability to provide wastewater collection service to the additional territory. In addition, according to the Department of Environmental Protection, there are no outstanding notices of violation against the utility.

Part of the territory Hudson has requested to serve includes a four to five square mile area adjoining the northern and

northeastern boundaries of Hudson's existing service area, which is not included in the certificate territory of any other utility and is not within the County's service area. Hudson has also requested to serve an area between and contiguous to the southern boundary of its existing service territory, which includes the 396 customers that Hudson already serves, and an area known as Signal Cove.

The majority of Hudson's existing and proposed service territory is located in an area federally designated as a flood plain area unsuitable for the efficient use of septic tanks and drain fields. The comprehensive land use plan adopted by the County as required by the Department of Community Affairs states that coastal areas be provided with sanitary sewer collection and treatment systems. The County owns and operates regional wastewater treatment and disposal facilities, but generally does not provide wastewater collection service. Consequently, in order to accommodate expected population growth in the areas proposed to be added to Hudson's existing territory, Hudson and the County have extended the term of the Agreement to ten years, from 2015 to 2025.

According to Hudson, the proposed extension is not expected to impact its monthly rates and service availability charges. Hudson's rates and charges were established most recently by Order No. 23810, issued November 27, 1990, in Docket No. 900293-SU. The rates were amended by Order No. PSC-98-0316-AS-SU, issued February 23, 1998, in Docket No. 980076-SU. In addition, the rates were modified effective March 29, 1999, pursuant to a 1998 price index and pass-through rate adjustment. Hudson shall charge the customers in the territories added herein the rates and charges approved in its tariff until authorized to change by the Commission in a subsequent proceeding.

Based on the foregoing, we find the amendment of Certificate No. 104-S to be in the public interest, and it is approved. Hudson returned Certificate No. 104-S for entry reflecting the additional territory.

TRANSFER OF TERRITORY FROM THE COUNTY

Hudson's application included a request for approval to amend its territory to include territory within the County's jurisdiction. Upon review of the information, it was determined that the amendment should be treated as a transfer since some of the residences in the area known as the Signal Cove subdivision currently receive wastewater service from the County.

Signal Cove is adjacent to the southern boundary of a portion of territory Hudson has requested to serve. Signal Cove is a planned community consisting of approximately 400 single-family homes, mobile homes and commercial properties. The community includes 382 existing buildings, of which 131 are wastewater customers of the County.

Over the past ten years the County has indicated to Hudson and others that it is not in the business of constructing gravity sewer collections systems within the County. The estimated construction costs to various subdivisions that have requested service by the County have been approximately three to four times that proposed by private utility companies. Therefore, after joint meetings with the County and a representative of Hudson, the Signal Cove Homeowners Association requested that the County allow Hudson to serve them. The County approved the request.

The agreed upon estimated purchase price for the existing Signal Cove gravity sewer collection, pumping station and force main system serving the 131 customers is \$105,000. A formal sales agreement has not been executed. An Addendum to the Agreement is the only contract entered into between Hudson and the County for the Signal Cove area. The Agreement allows payment for the purchase to be made over a period of 25 years. Payments are to be made based upon \$1.00 per 1,000 gallons of wastewater submitted for treatment from the 131 Signal Cove customers currently served by the County. These payments are not to be made from surcharges on the 131 customers, but instead are to be paid from Hudson's earnings.

According to the utility, the existing system being sold to Hudson is in good condition with regard to materials and alignment. However, the lines have several leaks at service joints due to the type of material used during installation of the vitrified clay pipe. Contractor cost estimates of approximately \$50,000 for these repairs were a part of the consideration in negotiating the Addendum. The cost of the repairs should have no effect on the rates for Hudson's current customers.

As stated previously, it appears that Hudson has the financial and technical ability to provide quality service to the additional territory. Furthermore, the addition of the Signal Cove area is not expected to impact the utility's monthly rates and service availability charges, and Hudson's current lender has indicated its willingness to continue its existing financing for the additional service territories.

Based on the foregoing, we find that the transfer of the Signal Cove territory from the County to Hudson is in the public interest, and it is approved. Hudson shall file proof of closing of the transfer within three months from the issuance date of this Order. The territory being transferred is shown on Attachment A of this Order, which by reference is incorporated herein. Hudson's existing territory and the territory added herein is shown on Attachment B of this Order, which by reference is incorporated herein.

#### RATE BASE

No net book valuation of the acquired assets was proposed by Hudson in its application. The territory being transferred, Signal Cove, is currently served by the County, which is not subject to our jurisdiction. Thus, the County is not required to keep its books in compliance with the NARUC Uniform System of Accounts.

Hudson and the County arrived at an oral estimate of the purchase price for the existing Signal Cove facilities, which is \$105,000. The only contract entered into between Hudson and the County for this transfer is the Addendum to the Agreement.

Based on the foregoing, rate base as of the time of transfer cannot be established in this proceeding. It is noted that the utility has the burden to justify the rate base for the Signal Cove facilities in any subsequent rate proceeding.

#### ACQUISITION ADJUSTMENT

An acquisition adjustment results when the purchase price differs from the original cost calculation adjusted to the time of the transfer. Because rate base for the utility cannot be established in this proceeding, no acquisition adjustment shall be approved.

#### RATES AND CHARGES FOR THE SIGNAL COVE CUSTOMERS

On November 6, 1998, Hudson filed a request for a limited proceeding, pursuant to Section 367.0822, Florida Statutes, for the 131 Signal Cove customers transferred from the County. The filing included a check in the amount of \$200, pursuant to Rule 25-30.020(2)(g), Florida Administrative Code.

The transfer of the Signal Cove territory results in different rate provisions. In order to understand the rates, we will first discuss how the County has developed its rates for wastewater treatment service to other utilities and to Hudson.

The County has been experiencing growth into areas that were formerly more rural or agricultural in nature and served by smaller private utility systems. As the County's population expanded, its utility has also expanded with the construction of large, regional wastewater treatment plants. Many of the older private systems have interconnected with the County under bulk wastewater treatment agreements. Under Hudson and the County's Agreement, rather than requiring an impact fee from the customers of the regulated systems, the County has instituted a capital recovery charge of \$1.00 per 1,000 gallons of flow, which is added onto the utility's gallonage charge as a surcharge. This surcharge is currently included in the gallonage charge approved by this Commission for Hudson's customers.



The Addendum provides for an extension of the original Agreement for another 10 years, making the total period of time of the Agreement 35 years from the June 5, 1990 effective date. According to the Addendum, any customer paying the \$1.00 capital recovery charge under the contract would stop paying it at the end of 25 years. Hudson is to provide the County with at least an annual report identifying those customers who have paid for a period of 25 years. In addition, any new development within Hudson's service area will pay a prorated up-front impact fee to the County at the time a building permit is issued if there is less than 25 years left under the Agreement. This implies that the surcharge will not be collected from any of Hudson's customers after June 4, 2025.

The Addendum also details the methodology for Hudson to compensate the County for the facilities being purchased by Hudson in the Signal Cove subdivision. The County will bill Hudson \$1.00 per 1,000 gallons of wastewater flow generated by the 131 customers being transferred from the County. These flows are measured by calculating 80 percent of the water consumption billed by the County to estimate the wastewater generated. The customers will not be charged the \$1.00 surcharge for the flow. Hudson will pay the billed amount as part of its general operating expenses. This amount billed over 25 years will result in the County being compensated for the facilities purchased. This method results in an estimated purchase price of \$105,000. The actual amount paid will be based upon the flows billed.

The Addendum results in the following rates for Hudson:

131 Signal Cove Customers

Base Facility Charge	\$ 15.08
Gallonge Charge Per 1,000 Gallons	\$ 3.95
Service Availability Charge	None

Unserved Signal Cove Customers (New),  
Amended Hudson Areas, Existing Hudson Customers,  
and New Development After June 5, 2000

Base Facility Charge	\$ 15.08
Gallage Charge Per 1,000 Gallons	\$ 4.95
Service Availability Charge	\$1,000.00

Because the \$1.00 surcharge was incorporated into the gallage charge specifically for payment of the delayed impact fees for the County's wastewater treatment system, this charge is not necessary for the 131 Signal Cove customers who have already paid the impact fee. Therefore, Hudson's request for a limited proceeding is granted, and we find the rates set forth herein to be reasonable, and they are approved. Hudson shall charge these rates and charges to the Signal Cove customers until authorized to change by the Commission in a subsequent proceeding. The tariff shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code, provided the customers have received notice.

This docket shall remain open for an additional three months from the issuance date of this Order to allow our staff to verify that Hudson has filed proof of the territory transfer. If no timely protests are received, upon expiration of the protest period, this Order shall become final and effective upon the issuance of a Consummating Order. Upon receipt of proof of the transfer, the docket shall be closed administratively.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the amendment of Certificate No. 104-S, held by Hudson Utilities, Inc., 14334 Old Dixie Highway, Hudson, Florida 34667, is hereby approved. It is further

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

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ORDERED that all matters contained in the attachments are incorporated herein by reference. It is further

ORDERED that Hudson Utilities, Inc., shall charge the customers in the territory added herein the rates and charges approved in its tariff until authorized to change by the Commission in a subsequent proceeding. The tariff shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets. It is further

ORDERED that a show cause proceeding shall not be initiated against Hudson Utilities, Inc., for its apparent violation of Section 367.045(2), Florida Statutes. It is further

ORDERED that the request for transfer of the Signal Cove territory, from Pasco County to Hudson Utilities, Inc., is hereby approved. It is further

ORDERED Hudson Utilities, Inc., shall file proof of the transfer of territory from Pasco County to Hudson Utilities, Inc., within three months from the issuance date of this Order. It is further

ORDERED that rate base for the Signal Cove facilities shall not be established at this time. It is further

ORDERED that an acquisition adjustment shall not be calculated in this docket. It is further

ORDERED that Hudson Utilities, Inc.'s request for a limited proceeding is granted and the rates and charges for the Signal Cove customers, as set forth herein, are hereby approved. Hudson Utilities, Inc. shall charge these rates and charges until authorized to change by the Commission in a subsequent proceeding. It is further

ORDERED that the tariff reflecting the rates and charges approved herein for the Signal Cove customers shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475,

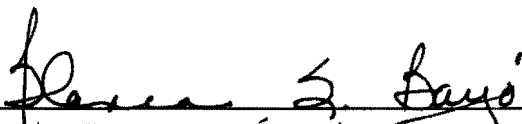
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Florida Administrative Code, provided the customers have received notice. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that this docket shall remain open for an additional three months from the issuance date of this Order to allow Commission staff to verify that Hudson Utilities, Inc., has filed proof of the territory transfer. Upon receipt of proof that the transfer has occurred, and if no protests have been received, this docket shall be closed administratively.

By ORDER of the Florida Public Service Commission this 27th day of September, 1999.

  
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BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

SMC/ALC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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

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hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our actions regarding our decision not to establish rate base and not to calculate an acquisition adjustment and establishing rates and charges for the Signal Cove customers are preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 18, 1999. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

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

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

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Hudson Utilities, Inc.

Wastewater Territory Description

Pasco County

Additional Area

Township 24 South, Range 16 East

Section 14

All of Said Section, LESS the following described portions thereof: Commence at the Southwest corner of said Section 14 and the POINT OF BEGINNING; Thence run North, along the West line of said Section 14, 30 feet to the center line of Old Dixie Highway; Thence run North 40 degrees East along the center line of Old Dixie Highway, 670 feet; Thence run North 32 degrees East along the centerline of Old Dixie Highway, 780 feet; Thence run East, 1,566 feet; Thence run South, 1,075 feet; Thence run west, 500 feet; Thence run South, 120 feet to the South line of said Section 14; Thence run West, along the South line of said Section 14; 1,910 feet to the POINT OF BEGINNING. Also, commence at the Southwest corner of said Section 14; Thence run North along the West line of said Section 14, 30 feet to the center line of Old Dixie Highway; Thence run North 40 degrees East along the center line of Old Dixie Highway, 670 feet; Thence run North 32 degrees East along the centerline of Old Dixie Highway, 1,160 feet to the POINT OF BEGINNING; Thence continue North 32 degrees East along the center line of Old Dixie Highway, 1,704 feet; Thence run East, 1,975 feet; Thence run South, 2,965 feet to the South line of said Section 14; Thence run West, along the South line of said Section 14, 1,240 feet; Thence run North, 1,520 feet; Thence run West, 1,638 feet to the POINT OF BEGINNING. The areas excepted are portions of the Viva Villas and Sea Pines Subdivisions served by Pasco County.

Section 15: All of Said Section.

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Section 16: All of Said Section.

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Section 21:

All of Said Section, LESS the South 1500 feet of the North 2500 feet of the East 500 feet of said Section. The area excepted is a portion of the Sea Pines Subdivisions served by Pasco County.

Section 22:

All of Said Section, LESS the following described portions thereof: Commence at the Northwest corner of said Section 22; Thence run South along the West Section line 1,000 feet to the POINT OF BEGINNING; Thence run East 1,500 feet to the center of a canal; Thence run South 600 feet; Thence run East 2,200 feet to the center of Old Dixie Highway; Thence run South 47 degrees West along center of Old Dixie Highway 1,300 feet; Thence run West approximately 2,720 feet to the West section line of said Section 22; Thence run North along the West section line 1,500 feet to the POINT OF BEGINNING. Also, commence at the Northwest corner of said Section 22; Thence run South along the West Section line 1,000 feet; Thence run East 1,500 feet to the POINT OF BEGINNING: Thence run North 350 feet; Thence run East 3,225 feet to the center of Old Dixie Highway; Thence run South 47 degrees West along center of Old Dixie Highway 513 feet; Thence run West approximately 2,850 feet to the POINT OF BEGINNING. Also, commence at the Northeast corner of said Section 22 and the POINT OF BEGINNING, Thence run South along the East line of said section 945 feet; Thence run West 949 feet to the center line of Old Dixie Highway; Thence run North 47 degrees East along the center line of Old Dixie Highway 790 feet; Thence run North 40 degrees East along the centerline of Old Dixie Highway 530 feet to the North line of said Section 22; Thence run East, along the North line of said Section 22, 30 feet to the POINT OF BEGINNING. The areas excepted is a portion of the Sea Pines Subdivision served by Pasco County.



Section 23:

All of Said Section, LESS the following described portions thereof: Commence at the Northwest corner of said Section 23 and the POINT OF BEGINNING; Thence run East along the North line of said Section 23, 1,910 feet; Thence run South 945 feet; Thence run West 1,910 feet to the West section line of said Section 23; Thence run North along the West section line of said Section 23, 945 feet to the

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POINT OF BEGINNING. Also, commence at the Northwest corner of said Section 23; Thence run east along the North line of said Section 23, 2,700 feet to the POINT OF BEGINNING; Thence continue East along the North line of said Section 23, 1,240 feet; Thence run Southwesterly, parallel to U.S. 19, 1,500 feet; Thence run South, 100 feet; Thence run Southwesterly, parallel to U.S. 19, 140 feet; Thence run West, 175 feet; Thence run North, 1,380 feet to the POINT OF BEGINNING. The areas excepted are portions of the Viva Villas and Sea Pines Subdivisions served by Pasco County.

Section 26:

All of North 1/2 of said Section 26; LESS that portion previously granted and approved by Public Service Commission on April 24, 1990, Amendment Order No. 22852, Docket No. 900065-SU.

Section 27:

That portion of the NE 1/4 lying East of U.S. 19 and, All of the North 1/2 of the South 1/2 of said section 27 lying East of the Eastern Right-of-Way of U.S. Highway 19 (State Road 55); LESS that portion previously granted and approved by Public Service Commission on December 10, 1990, Amendment Order No. 23846, Docket No. 900020-SU.

Section 33:

All of said Section 33; LESS that portion previously granted and approved by Public Service Commission on June 19, 1973, Amendment

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Order No. 5781, Docket No. C-72696-S (Original Certificate), and on  
October 31, 1984, Amendment Order No. 13823, Docket No. 840296-SU.

Section 34:

The Northwest 1/4 of the SW 1/4

Township 25 South, Range 16 East

Section 4:

The North 150 feet of said Section 4.

Hudson Utilities, Inc.

Wastewater Territory Description

Pasco County

Composite Territory Description

This composite territory description includes all previous territory additions and the new area. The utility was first granted their original territory by Order No. 5781 in Docket No. C-72695-S. The utility amended their territory by Order No. 13823, Docket No. 840296-SU; Order No. 14477, Docket No. 850149-SU; Order No. 15556, Docket No. 850779-SU; Order No. 22852, Docket No. 900065-SU; Order No. 23846, Docket No. 900832-SU and the new area. This composite territory greatly simplifies their territory description.

Township 24 South, Range 16 East

Section 14

All of Said Section, LESS the following described portions thereof: Commence at the Southwest corner of said Section 14 and the POINT OF BEGINNING; Thence run North, along the West line of said Section 14, 30 feet to the center line of Old Dixie Highway; Thence run North 40 degrees East along the center line of Old Dixie Highway, 670 feet; Thence run North 32 degrees East along the centerline of Old Dixie Highway, 780 feet; Thence run East, 1,566 feet; Thence run South, 1,075 feet; Thence run west, 500 feet; Thence run South, 120 feet to the South line of said Section 14; Thence run West, along the South line of said Section 14; 1,910 feet to the POINT OF BEGINNING. Also, commence at the Southwest corner of said Section 14; Thence run North along the West line of said Section 14, 30 feet to the center line of Old Dixie Highway; Thence run North 40 degrees East along the center line of Old Dixie Highway, 670 feet; Thence run North 32 degrees East along the centerline of Old Dixie

Highway, 1,160 feet to the POINT OF BEGINNING; Thence continue North 32 degrees East along the center line of Old Dixie Highway, 1,704 feet; Thence run East, 1,975 feet; Thence run South, 2,965 feet to the South line of said Section 14; Thence run West, along the South line of said Section 14, 1,240 feet; Thence run North,

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1,520 feet; Thence run West, 1,638 feet to the POINT OF BEGINNING. The areas excepted are portions of the Viva Villas and Sea Pines Subdivisions served by Pasco County.

Section 15: All of Said Section.

Section 16: All of Said Section.

Section 21:

All of Said Section, LESS the South 1500 feet of the North 2500 feet of the East 500 feet of said Section. The areas excepted is a portion of the Sea Pines Subdivision served by Pasco County.

Section 22:

All of Said Section, LESS the following described portions thereof: Commence at the Northwest corner of said Section 22; Thence run South along the West Section line 1,000 feet to the POINT OF BEGINNING; Thence run East 1,500 feet to the center of a canal; Thence run South 600 feet; Thence run East 2,200 feet to the center of Old Dixie Highway; Thence run South 47 degrees West along center of Old Dixie Highway 1,300 feet; Thence run West approximately 2,720 feet to the West section line of said Section 22; Thence run North along the West section line 1,500 feet to the POINT OF BEGINNING. Also, commence at the Northwest corner of said Section 22; Thence run South along the West Section line 1,000 feet; Thence run East 1,500 feet to the POINT OF BEGINNING: Thence run North 350 feet; Thence run East 3,225 feet to the center of Old Dixie Highway; Thence run South 47 degrees West along center of

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Old Dixie Highway 513 feet; Thence run West approximately 2,850 feet to the POINT OF BEGINNING. Also, commence at the Northeast corner of said Section 22 and the POINT OF BEGINNING, Thence run South along the East line of said section 945 feet; Thence run West 949 feet to the center line of Old Dixie Highway; Thence run North 47 degrees East along the center line of Old Dixie Highway 790 feet; Thence run North 40 degrees East along the centerline of Old Dixie Highway 530 feet to the North line of said Section 22; Thence run East, along the North line of said Section 22, 30 feet to the POINT OF BEGINNING. The areas excepted is a portion of the Sea Pines Subdivisions served by Pasco County.

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Section 23:

All of Said Section, LESS the following described portions thereof: Commence at the Northwest corner of said Section 23 and the POINT OF BEGINNING; Thence run East along the North line of said Section 23, 1,910 feet; Thence run South 945 feet; Thence run West 1,910 feet to the West section line of said Section 23; Thence run North along the West section line of said Section 23, 945 feet to the POINT OF BEGINNING. Also, commence at the Northwest corner of said Section 23; Thence run east along the North line of said Section 23, 2,700 feet to the POINT OF BEGINNING; Thence continue East along the North line of said Section 23, 1,240 feet; Thence run Southwesterly, parallel to U.S. 19, 1,500 feet; Thence run South, 100 feet; Thence run Southwesterly, parallel to U.S. 19, 140 feet; Thence run West, 175 feet; Thence run North, 1,380 feet to the POINT OF BEGINNING. The areas excepted are portions of the Viva Villas and Sea Pines Subdivisions served by Pasco County.

Section 26:

All of the North 1/2 of said Section 26.

Section 27:

All of said Section 27; LESS the South 1/2 of the Southeast 1/4

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Section 28: All of said Section.

Section 32: The East 818 feet of the North 1/2 of said Section 32.

Section 33: All of said Section.

Section 34:

The West 1/2 of the Northwest 1/4. The Northwest 1/4 of the SW 1/4  
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Township 25 South, Range 16 East

Section 4:

The North 150 feet of said Section 4.