

UTILITIES, INC.

2335 Sanders Road
Northbrook, Illinois 60062-6196
Telephone 847 498-6440
Facsimile 847 498-2066

DEPOSIT
D O 2 5

DATE
OCT 2 6 1998

October 23, 1998

981403-WS

Ms. Blanco S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

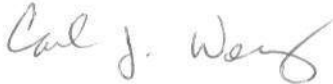
RE: Application for Transfer of Certificate Nos. 469-W and 358-S from Bayside Utilities, Inc. to Bayside Utility Services, Inc. in Bay County Florida.

Dear Ms. Bayo:

Enclosed for filing are an original and 12 copies of an Application for Transfer of Certificate No. 469-W and 358-S. Also enclosed is the \$1,500 filing fee. Two additional copies of the tariffs are also included.

If you have any questions, please contact me directly.

Respectfully submitted,



Carl J. Wenz
Vice President, Regulatory Matters

cc: Mr. Ben Girtman

Check received with filing and
forwarded to Fiscal for deposit.
Fiscal to forward a copy of check
to RAR with proof of deposit.
Initials of person who forwarded check:
AJ

11961-98
Oct 26

**APPLICATION FOR SALE, ASSIGNMENT OR TRANSFER
OF CERTIFICATE OR FACILITIES
PURSUANT TO SECTION 367.071, FLORIDA STATUES**

TO: Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

The undersigned hereby makes application for the transfer of Water Certificate No. 469-W and Sewer Certificate No. 358-S for facilities in Bay County, Florida, and submits the following information:

PART I APPLICANT INFORMATION

- A) The full name (as it appears on the certificate), address and telephone number of the transferor (seller):**

<u>Bayside Partnership a/k/a Bayside Utilities, Inc.</u>	<u>(850) 234-6668</u>	
Name of Transferor	Phone No.	
<u>6325 Big Daddy Drive</u>		
Office street address		
<u>Panama City Beach</u>	<u>FL</u>	<u>32407</u>
City	State	Zip Code

Mailing address if different from above

- B) The full name (as it appears on the certificate), address and telephone number of the transferee (buyer):**

<u>Bayside Utility Services, Inc.</u>	<u>(407) 869-1919</u>	
Name of Transferor	Phone No.	
<u>200 Weathersfield Avenue</u>		
Office street address		
<u>Altamonte Springs,</u>	<u>FL</u>	<u>32714</u>
City	State	Zip Code

Mailing address if different from above

C) The full name, address and telephone number of the person to contact concerning this application:

Mr. Carl J. Wenz Utilities, Inc. 2335 Sanders Road Northbrook, IL 60062 (847) 498-6440	and	Mr. Ben E. Girtman Attorney at Law 1020 East Lafayette Tallahassee, FL 32301 (904) 656-3232
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**D) Indicate the organizational character of the transferee:
(Circle one)**

Corporation Partnership Sole Proprietorship

Other _____
(specify)

E) The date and state of incorporation or organization of the buyer:

Bayside Utility Services, Inc. is in the process of incorporating. The company will be incorporated in the state of Florida. It will be a wholly-owned subsidiary of Utilities, Inc., an Illinois Corporation.

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

Bayside Utility Services, Inc. will be a wholly-owned subsidiary of Utilities, Inc. The officers and directors of Utilities, Inc. are as follows:

<u>Name</u>	<u>Office</u>	<u>Directors</u>
James L. Camaren	Chairman & C.E.O	James L. Camaren
Lawrence N. Schumacher	President	Robert K. Wolfe
Andrew N. Dopuch	Vice President	Harrington Bischof
Carl J. Wenz	V.P., Regulatory Matters	Jon R. Lind
		Daniel C. Searle

The address of Utilities, Inc. and its officers and directors is 2335 Sanders Road, Northbrook, IL 60062. The officers and directors of Bayside Utility Services, Inc. will be chosen from the above group of officers and directors.

G) If the buyer is not a corporation, list the names, titles, and addresses of all persons owning an interest in the organization.

N/A.

PART II FINANCIAL AND TECHNICAL INFORMATION

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

This transfer is in the public interest. Utilities, Inc. (UI) has approximately 33 years of experience in the water and wastewater utility industry. UI was formed in 1965 with the objective of acquiring small water and sewer companies. By centralizing the management, accounting, billing and data processing functions, these companies can achieve economies of scale that would be unattainable on a stand-alone basis. These companies are typically troubled and undercapitalized. They are primarily developer owned and with little experience in operating utilities. At the present time, UI provides safe and reliable water and sewer service to approximately 200,000 customers in 15 states. A list of Utilities, Inc.'s Florida subsidiaries is shown on **Exhibit A**. UI focuses solely on the ownership and operation of small utility systems and has vast experience improving and operating facilities. In addition, UI has both the regulatory experience and financial wherewithal to ensure consistent compliance with environmental regulations. UI's experience in operating water and sewer utilities will provide depth to Bayside Utility Services, Inc. on both a day-to-day basis as well as during emergencies. UI has operated other water and wastewater utilities in Florida under the regulation of the Florida Public Service Commission since 1976. UI's existing Florida subsidiaries are in good standing with the Commission. For these reasons, the public interest would be best served by the proposed transfer of ownership.

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

Please see Exhibit A for a list of Utilities, Inc. subsidiaries.

- C) Exhibit B - A copy of the contract for sale and all auxiliary or supplemental agreements, which shall include, if applicable:**

- 1) Purchase price and terms of payment;
- 2) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of nonregulated operations or entities.
- 3) A description of all consideration between the parties, for example, promised salaries, retainer fees, stock, stock options, assumption of obligations.

The contract for sale shall also provide for the disposition, where applicable, of the following:

- 1) Customer deposits and interest thereon;
- 2) Any guaranteed revenue contracts;
- 3) Developer agreements;
- 4) Customer advances;
- 5) Debt of the utility; and
- 6) Leases.

Please see Exhibit B for a copy of the sewer asset purchase agreement.

- D) Exhibit _____ - A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.**

The Seller will be responsible for the RAF's associated with revenues collected up to including the date of transfer. Purchaser becomes responsible for the RAF's thereafter.

- E) **Exhibit _____ - A statement of how the transferee is financing the purchase.**

The purchase of the assets of Bayside Utilities, Inc. is a cash transaction. There are, therefore, no entities which have provided or will provide funding to the Transferee in connection with this transfer.

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

The purchase of the assets of Bayside Utilities, Inc. is a cash transaction. There are, therefore, no entities which have provided or will provide funding to the Transferee in connection with this transfer.

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

An audit was recently conducted by the PSC Staff in Docket No. 971401-WS. Pursuant to the Staff audit and the Commission's order in that docket, the Net Book Value as of 12/31/97 is \$270,572.

- H) **Exhibit _____ - A statement setting forth the reasons for the inclusion of an acquisition adjustment, if one is requested. (An acquisition adjustment results when the purchase price of the utility differs from the original cost calculation.)**

The purchaser has not requested an acquisition adjustment, either positive or negative, in this proceeding. (See Rule 25-30.037 (2)(m), F.A.C., Application for Authority to Transfer.)

The current Commission policy on acquisition adjustments is that, "absent extraordinary circumstances, the purchase of a utility system at a premium or discount, shall not affect rate base." There are no extraordinary circumstances in this case, and there is no basis for including an acquisition adjustment.

Utilities, Inc. was aware of, and relied on, the current Commission policy on acquisition adjustments in deciding to purchase this utility system. That Commission policy provided an incentive to acquire the system. The purchase is a result of an arms-length transaction. A wholly-owned subsidiary, Bayside Utility Services, Inc., will own and operate the purchased utility system. Utilities, Inc. and its subsidiary are not developers, nor are they developer-related.

Utilities, Inc. is a large utility with experience in utility operations, and the transfer will benefit the customers. The purchase will result in economies of scale through use of the purchaser's existing management and existing vendor resources. (See, Docket No. 891309-WS, Order No. 25729 issued February 17, 1992.)

The purchaser: 1) has the ability to attract capital at a reasonable cost; 2) has the financial ability to commit funds necessary to operate the purchased utility; 3) has a professional staff experienced in the managerial, technical and financial aspects of utility operation; 4) has the ability to make any necessary capital improvements; and. 5) has the ability to comply with FDEP and EPA requirements.

Granting a negative acquisition adjustment in this case would be inconsistent with Commission policy and prior Commission orders (upon which Utilities, Inc., has relied), and a negative acquisition adjustment should not be included in this case. (See Docket No. 891039-WS, PAA Order No. 23376 issued August 21, 1990 and Order No. 25729 issued February 17, 1992; Wedgefield Utilities, Inc., Docket No. 960235-WS, Order No. PSC-98-1092-FOF-WS issued August 12, 1998.)

The purchaser has now made an initial showing that there are no extraordinary circumstances relating to this transfer. By doing so, the purchaser has met any obligation or burden it may have had in showing that a negative acquisition is not appropriate and should not be included in this case. Therefore, if a negative acquisition adjustment is requested, the burden would now be on the proponent of such an adjustment to show that one is warranted.

- I) **The full name, address and telephone number of the person who has possession of the books and records of the seller:**

Ms. Dorothy Burton, President
Bayside Utilities, Inc.
6325 Big Daddy Drive
Panama City Beach, FL 32407

- J) **Exhibit _____ - If the books and records of the seller are not available for inspection by the Commission or are not adequate for purposes of establishing the net book value of the system, a statement by the buyer that a good faith, extensive effort has been made to obtain such books and records for inspection by the Commission and detailing the steps taken to obtain the books and records.**

The books and records have been requested to be provided at the time of the final closing. The books and records will be transferred to the buyer upon Commission approval of the transfer. However, the books and records will be available to the Commission Staff during this proceeding.

- K) **Exhibit _____ - A statement from the buyer that it has obtained or will obtain copies of all of the federal income tax returns of the seller from the date the utility was first established, or rate base was last established by the Commission or, if the tax returns have been obtained, a statement from the buyer detailing the steps taken to obtain the returns.**

The tax returns have been requested to be provided at the time of the final closing. The tax returns will be available to the Commission Staff during this proceeding.

- L) **Exhibit _____ - A statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental Protection (DEP) or, if the system is in need of repair or improvement, has any outstanding Notice of Violation of any standard set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a list of the improvements and repairs needed and the approximate cost to make them, a list of the action taken by the utility with regard to the violation, a copy of the Notice of Violations (s), a copy of the consent order and a list of the improvements and repairs consented to and the approximate cost to make them.**

At the present time, the buyer is not aware of any outstanding Notice of Violation or any outstanding DEP consent order.

PART III NOTICE OF ACTUAL APPLICATION

- A) Exhibit _____ - An affidavit that the notice of actual application was given in accordance with Section 367.045(1) (a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following: the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located; the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located, if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties and holding a certificate granted by the Commission; the regional planning council; the office of Public Counsel; the Public Service Commission's Director of Records and Reporting; the appropriate regional office of the Department of Environmental Protection; and the appropriate water management district. Copies of the Notice and a list of entities noticed shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

This will be provided as a late filed exhibit once the notices have been sent.

- B) Exhibit _____ - An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system being transferred. A copy of the Notice shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

This will be provided as a late filed exhibit once the notices have been sent.

- C) Exhibit _____ - Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

This will be provided as a late filed exhibit once the notice has been published.

PART IV FILING FEE

Indicate the filing fee enclosed with the application:
\$1,500.00 (one fee for water and one for wastewater)

Note: Pursuant to Rule 25-30.020, Florida Administrative Code, the amount of the filing fee as follows:

- 1) For application in which the utility to be transferred has the capacity to serve up 500 ERC's, the filing fee shall be \$750.
- 2) For applications in which the utility to be transferred has the capacity to serve from 501 to 2,000 ERC's the filing fee shall be \$1,500.
- 3) For application in which the utility to be transferred has the capacity to serve from 2,001 ERC's to 4,000 ERC's the filing fee shall be \$2,250.
- 4) For application in which the utility to be transferred has the capacity to serve more than 4,000 ERC's the filing fee shall be \$3,000.

PART V OTHER

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

Bayside Utilities, Inc. provides water distribution and sewage collection services only. There are no treatment facilities and therefore, there is no land included with the purchase transaction.

- B) Exhibit C - The original and two copies of sample tariff sheets reflecting the new name of the utility, the existing rates and charges and territorial description of the water and/or wastewater systems.

The Transferee requests authority to collect the water and sewer rates and charges authorized by the Commission in Docket No. 9714101-WS.

- C) Exhibit The utility's current certificate (s) or, if not available, an explanation of the steps the applicant took to obtain the certificate (s).

See attached.

PART VI AFFIDAVIT

I CARL J. WENZ (applicant) do solemnly swear or affirm that the facts stated in the foregoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitute a complete statement of the matter to which it relates.

 Carl J. Wenz
(Applicant)

BY: CARL J. WENZ, V.P., Regulatory Matters
Name and Title*

Subscribed and sworn to before me
this 22ND
of OCTOBER 19 98 .

 Phil Ann Scully
OFFICIAL SEAL
PHIL ANN SCULLY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 09/18/01

*If the applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If the applicant is a partnership or association, a member of the organization authorized to make sure affidavit shall execute same.



FLORIDA PUBLIC SERVICE COMMISSION

CERTIFICATE NUMBER

469-W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Bayside Partnership

Whose principal address is

2021 Sabrina Terrace

Corona Del Mar, California 92625 (Bay)

to provide Water service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER 16414 DATED 7/24/86 DOCKET 860084-WU

ORDER _____ DATED _____ DOCKET _____

ORDER _____ DATED _____ DOCKET _____

ORDER _____ DATED _____ DOCKET _____

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

Steve Fiddle
Director, Division of Records & Reporting

Executive Director





FLORIDA PUBLIC SERVICE COMMISSION

CERTIFICATE NUMBER

358-S

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

Bayside Partnership

Whose principal address is

7104 Big Daddy Drive

Panama City, Florida 32407 (Bay)

to provide sewer service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER 15205 DATED 10/08/85 DOCKET 840197-SU

ORDER _____ DATED _____ DOCKET _____

ORDER _____ DATED _____ DOCKET _____

ORDER _____ DATED _____ DOCKET _____

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

Commission Clerk

Executive Director



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Docket No. _____

Application by Bayside Utility Services, Inc. for Approval to Transfer the Sewer Utility
Assets and Certificate No. 495-S from Bayside Utilities, Inc. in Bay County

EXHIBIT A

Listing of Utilities, Inc. Subsidiaries

UTILITIES, INC.

10/22/98

List of Affiliates - All 100% Wholly-Owned Subsidiaries

		Certificate #	
		Water	Sewer
FLORIDA:			
MID-COUNTY SERVICES, INC.	S		81
LAKE UTILITY SERVICES, INC.	W	496	
UTILITIES, INC. OF FLORIDA	W&S	410,040, 107, 204, 278	305, 229, 225
MILES GRANT WATER & SEWER COMPANY	W&S	352	308
TIERRA VERDE UTILITIES, INC.	S		58
LAKE PLACID UTILITIES, INC.	W&S	414	347
ALAFAYA UTILITIES, INC.	S		379
UTILITIES INC. OF EAGLE RIDGE	S		369
WEDGEFIELD UTILITIES, INC.	W&S	404	341
CYPRESS LAKES UTILITIES, INC.	W&S	592	509
PEBBLE CREEK UTILITIES, INC.	W&S		n/a-Hillsborough County
EASTLAKE WATER SERVICE CORP.	W&S		n/a-Hillsborough County
ILLINOIS:			
APPLE CANYON UTILITY COMPANY	W		
CAMELOT UTILITIES, INC.	W&S		
CHARMAR WATER COMPANY	W		
CHERRY HILL WATER COMPANY	W		
CLARENDON WATER COMPANY	W		
COUNTY LINE WATER COMPANY	W		
DEL MAR WATER CO.	W		
FERSON CREEK UTILITIES COMPANY	W&S		
GALENA TERRITORY UTILITIES, INC.	W&S		
KILLARNEY WATER CO.	W		
LAKE HOLIDAY UTILITIES CORP.	W		
LAKE WILDWOOD UTILITIES CORP.	W		
VALENTINE WATER SERVICE, INC.	W		
WHISPERING HILLS WATER COMPANY	W		
MEDINA UTILITIES CORPORATION	S		
CEDAR BLUFF UTILITIES, INC.	S		
HARBOR RIDGE UTILITIES, INC.	W&S		
GREAT NORTHERN UTILITIES, INC.	W		
NORTHERN HILLS WATER AND SEWER CO.	W&S		
WATER SERVICE CORP.			
LOUISIANA:			
LOUISIANA WATER SERVICE, INC.	W&S		
UTILITIES INC. OF LOUISIANA	W&S		
MARYLAND:			
UTILITIES, INC. OF MARYLAND	W&S		
GREENRIDGE UTILITIES, INC.	W		
MARYLAND WATER SERVICE INC.	W&S		
PROVINCES UTILITIES, INC.	W		
VIRGINIA:			
COLCHESTER PUBLIC SERVICE CORP.	S		
MASSANUTTEN PUBLIC SERV. CORP.	W&S		
OHIO:			
HOLIDAY SERVICE CORP.	W		
GEORGIA:			
SKIDAWAY ISLAND UTILITIES, INC.	W&S		
INDIANA:			
TWIN LAKES UTILITIES, INC.	W&S		
MISSISSIPPI:			
CHARLESTON UTILITIES, INC.	W&S		
SOUTH CAROLINA:			
CAROLINA WATER SERVICE, INC.	W&S		
SOUTHLAND UTILITIES, INC.	W		
UNITED UTILITY COMPANIES, INC.	W&S		
SOUTH CAROLINA UTILITIES, INC.	S		
TEGA CAY WATER SERVICE, INC.	W&S		
BIO-TECH, INC.			
NORTH CAROLINA:			
CAROLINA WATER SERVICE INC. OF N.C.	W&S		
CWS SYSTEMS, INC.	W&S		
WATAUGA VISTA WATER CORPORATION	W		
CAROLINA TRACE UTILITIES, INC.	W&S		
CONNESTEE FALLS UTILITIES, INC.	W&S		
TENNESSEE:			
TENNESSEE WATER SERVICE, INC.	W		
PENNSYLVANIA:			
UTILITIES, INC. OF PENNSYLVANIA	S		
PENN ESTATES UTILITIES, INC.	W&S		
NEVADA:			
SPRING CREEK UTILITIES COMPANY	W&S		
UTILITIES INC. OF NEVADA	W		
NEW JERSEY:			
MONTAGUE WATER COMPANY	W		
MONTAGUE SEWER COMPANY	S		

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Docket No. _____

Application by Bayside Utility Services, Inc. for Approval to Transfer the Water and Sewer Utility Assets and Certificates No. 469-W and 358-S from Bayside Utilities, Inc. in Bay County

EXHIBIT B

Water and Sewer System Asset Purchase Agreement

BAYSIDE UTILITIES, INC. ASSET PURCHASE AGREEMENT

BAY COUNTY, FLORIDA

This Agreement is entered into on this 7 day of October, 1998 by and between Bayside Utilities, Inc., a Florida corporation, (hereinafter referred to as "**Seller**") and Utilities, Inc., an Illinois corporation (hereinafter referred to as "**Purchaser**").

WITNESSETH

WHEREAS the Seller is the owner of a water supply and distribution system, as well as a sewage collection system which has been installed to provide central water and sewer service to approximately 280 customer each in Bay County, Florida, and more fully described on **Exhibit 1**, attached, (hereinafter referred to as the "**Property**"); and

WHEREAS Purchaser is engaged through its operating subsidiaries in the business of furnishing water and sewer service to the public in various communities throughout the United States. Purchaser desires to acquire, and Seller desires to sell the water distribution facilities, as well as the sewage collection facilities (collectively the "**Facilities**") installed to provide water and sewer service to the Property, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants as hereinafter set forth, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS BY SELLER

Seller represents and warrants that:

- 1) Seller is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Florida. Seller's Certificate of Incorporation contains charter powers authorizing it to construct, operate and maintain a public water distribution, as well as a sewage collection system.
- 2) Seller is, and at the Closing (the "**Closing**" as hereinafter defined) will be, the owner of the Facilities with good and marketable title, free and clear of all liens and encumbrances.
- 3) Seller has obtained from the Florida Public Service Commission (hereinafter referred to as the "**Commission**") a Certificate of Public Convenience and Necessity, and authorization and approval of rates, rules and regulations for water and sewer service within the Property.
- 4) Seller will cooperate fully with Purchaser in any and all applications or petitions to public authorities deemed necessary or desirable by Purchaser in connection with the purchase of the Facilities from Seller as contemplated herein.
- 5) Attached hereto as **Exhibit 2** is a detailed list of the Facilities of Seller to be acquired by Purchaser, pursuant to this Agreement, showing both their respective installation or

construction costs, as well as their current depreciable tax basis. Said Facilities include all water and sewer utility assets, equipment and real estate owned or leased by the Seller within the Property, including but not limited to a complete water distribution system, and a complete central sewer collection system. The engineering plans and specifications for the Facilities have been attached hereto as Exhibit 3.

- 6) Attached hereto as Exhibit 4 is a list, signed by the Seller, and briefly describing, as of the date of this Agreement, the following:
 - (a) All pending or threatened action at law, suits in equity or administrative proceedings relating to the Facilities;
 - (b) All contracts or obligations of any nature between Seller and any other party, including all developer agreements relating to the Property.
 - (c) All real estate in the Property owned by Seller to be transferred hereunder.
- 7) Except as indicated in Exhibit 4, Seller has, or at the Closing will have, all necessary permits, licenses and easements (including sufficient rights to access) for its water and sewer utility business; the Facilities of Seller have been installed within the easements relating thereto and in accordance with all necessary permits or licenses; the Facilities of Seller have been constructed and will be capable of operation in accordance with at least the minimum standards, requirements, rules and regulations of all governmental bodies, and regulatory agencies which may have jurisdiction thereover.
- 8) Except as indicated in Exhibit 4, there are no pending or threatened actions at law or suits in equity relating to the Facilities, or any pending or threatened proceedings before the Commission or any other governmental agency.
- 9) Except as indicated in Exhibit 4, there are no contracts or obligations of any nature between Seller and any other party relating to the Facilities.
- 10) Neither Seller nor any entity or individual affiliated with Seller has executed any agreement with purchasers of lots within the Property, or any other parties, whereunder such purchases or other parties have acquired any interest in the Facilities used or to be used in rendering service to them.
- 11) Between the date hereof and the Closing, the water and sewer utility business of Seller will be operated in the ordinary course and Seller will, at all reasonable times, permit Purchaser, its attorneys and agents, to examine Seller's books, accounts, and other records and physical properties relating to the Facilities.
- 12) Prior to the Closing, the consummation of the transactions contemplated herein will have been duly authorized by all necessary action, corporate or otherwise, on behalf of Seller.

- 13) Seller has filed all tax returns which are required to be filed, and each such return which has been filed is true and correct, and Seller has paid all taxes shown as payable on such returns when and as required by applicable law.
- 14) No representation or warranty by Seller in this Agreement, or any statement or certificate furnished or to be furnished to Purchaser pursuant hereto or in connection with the transactions contemplated herein, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.

ARTICLE II

CLOSING AND PURCHASE PRICE

1) Closing

- (a) The Closing shall take place within **ten (10)** days of approval of the Agreement by the Commission at the offices of Seller's counsel, or at such other time and place as Seller and Purchaser may agree upon.
- (b) At the Closing, the Seller will, upon due performance by Purchaser of its obligations under the Agreement, deliver:
 - (i) such good and sufficient warranty deeds, bills of sale with covenants of warranty, and sufficient instruments of sale, in form and substance satisfactory to Purchaser's counsel, as shall be required to vest in Purchaser good, indefeasible and marketable title to all of the Facilities and related real estate used or to be used for the water system and the sewer system in the Property, free and clear of liens and encumbrances of every nature;
 - (ii) all of the files, documents, papers, agreements, books of account, customer lists, original cost invoices, engineering drawings, and records pertaining to the sewer utility business conducted by Seller in the Property, other than its minute books and stock records, and any other records reasonably needed by Seller;
 - (iii) all orders, permits, licenses or certificates issued or granted to Seller by any governmental authority in connection with any authorization related to the construction, operation or maintenance of its Facilities or the conduct of its sewer utility business; and
 - (iv) a title insurance policy in an amount of \$20,000 for all of the real estate listed on Exhibit 4 showing good and marketable title in Purchaser, subject only to the standard title exceptions.
 - (v) An opinion of Counsel for Seller, dated as of the Closing, that upon the execution of this Agreement; delivery to Purchaser of the Bill of Sale for the Facilities; and the approval of the Commission of these transactions that Seller will then have

good and marketable title to the Facilities, free and clear of all liens and encumbrances.

- (c) At the Closing and from time to time thereafter, Seller shall execute and deliver such further instruments of sale, conveyance, transfer and assignment, and take such other action as Purchaser may request, in order more effectively to sell, convey, transfer and assign to Purchaser any of the Seller's Facilities, to confirm the title of Purchaser thereto and to assist Purchaser in exercising rights with respect thereto.

2) **Purchase Consideration**

At the Closing Purchaser shall, upon due performance by Seller of its obligations under the Agreement, deliver to the Seller, the Purchase Price (the "**Purchase Price**") in the amount of **\$190,000.00** (ONE HUNDRED NINETY THOUSAND DOLLARS), increased by the amount of any cash and current customer accounts receivable (which Seller represents and warrants will be collected at their face amount) transferred by Seller, to Purchaser and decreased by any and all liabilities (current, accrued, long-term or other) assumed by Purchaser.

ARTICLE III

COMMISSION APPROVAL

1) **Commission Approval**

Within **ten (10)** days following the execution of the Agreement, Purchaser will file a petition with the Commission requesting approval of this Agreement; transfer of the Public Utility Franchise; and approval of the rates, fees, and charges applicable to water and sewer utility customers in the Property.

ARTICLE IV

GENERAL

- 1) Upon purchase of the Facilities of Seller, Purchaser agrees to supply all customers within the Property with adequate and customary sewer utility service, and to operate, maintain and repair all Facilities acquired herein.
- 2) The failure of either party hereto to enforce any of the provisions of this Agreement or the waiver thereof in any instance by either party shall not be construed as a general waiver or relinquishment on its part of any such provisions, but the same shall, nevertheless, be and remain in full force and effect.
- 3) Any notice of delivery required to be made hereunder may be made by mailing a copy thereof addressed to the appropriate party as follows:

If to Purchaser:

Utilities, Inc.
2335 Sanders Road
Northbrook, IL 60062
Attn: Jim Camaren
Chairman & Chief Executive Officer

If to Seller:

Bayside Utilities, Inc.
6325 Big Daddy Drive
Panama City Beach, FL
Attn: Dorothy Burton
President


Delivery when made by registered or certified mail, shall be deemed complete upon mailing.

- 4) The Exhibits to this Agreement are a part hereof and are hereby incorporated in full by reference.
- 5) This Agreement shall be governed by the laws of the State of Florida.
- 6) The representations and warranties contained herein shall survive, and continue in effect, after the Closing. Purchaser agrees to indemnify Seller, its successors and assigns, and hold it harmless against any loss, damage, liability, expense or cost accruing or resulting from any misrepresentation or breach of any representation, warranty or agreement on the part of Purchaser under this Agreement or from any misrepresentation in or material omission from any certificate or other document furnished or to be furnished to Seller by Purchaser; Seller agrees to indemnify Purchaser, its successors and assigns, and hold it harmless against any loss, damage, liability, expense or cost, accruing or resulting from any misrepresentation or breach of any representation, or warranty or agreement made or to be performed by Seller under this Agreement or from any misrepresentation in or material omission from any certificate or other documents furnished or to be furnished to Purchaser by Seller.
- 7) If this Agreement is not executed by Seller prior to **October 30, 1998**, then the terms and conditions herein are waived with no further obligations or responsibility to either party.
- 8) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. It is specifically understood that Purchaser intends to transfer its rights and obligations under this Agreement to a separate wholly-owned subsidiary of Utilities, Inc.

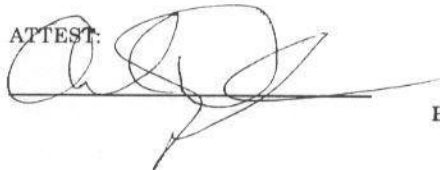
IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year above first written.

UTILITIES, INC.

By

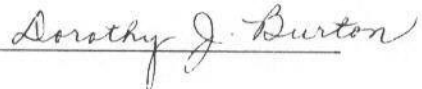

Chairman & Chief Executive Officer

ATTEST:



BAYSIDE UTILITIES, INC.

By



ATTEST:



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Docket No. _____

Application by Bayside Utility Services, Inc. for Approval to Transfer the Sewer Utility Assets and Certificate No. 495-S from Bayside Utilities, Inc. in Charlotte County

EXHIBIT C

SAMPLE TARIFFS

WATER TARIFF

BAYSIDE UTILITY SERVICES, INC.
NAME OF COMPANY

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
WATER TARIFF

WATER TARIFF

BAYSIDE UTILITY SERVICES, INC.
NAME OF COMPANY

200 WEATHERSFIELD AVENUE

ALTAMONTE SPRINGS, FL 32714
(ADDRESS OF COMPANY)

407-869-1919
(Business Telephone Number)

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

WATER TARIFF

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Rules and Regulations	8.0 - 15.1
Index of Rate Schedules	16.0
Rate Schedules	17.0 - 21.0
Miscellaneous Service Charges	21.1
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Standard Forms	23.0 - 26.0
Contracts and Agreements	N/A
Service Availability Policy and Charges	27.0 - 28.0

Lawrence N. Schumacher
President

NAME OF COMPANY
Water Tariff

BAYSIDE UTILITY SERVICES, INC.

TERRITORY SERVED

Certificate Number:

469-W

Commission Orders Approving Territory Served:

<u>Order Number:</u>	<u>Docket Number</u>	<u>Date Approved:</u>	<u>Type:</u>
16414	860084-WU	July 24, 1986	Original Certificate
17194	860084-WU	Feb. 16, 1887	Reconsideration
18966	870940-WS	March 8, 1988	Name Change

(continued to sheet no. 3.1)

Lawrence N. Schumacher
President

BAYSIDE UTILITY SERVICES, INC.
SEWER TARIFF

(continued from sheet 3.0)

DESCRIPTION OF TERRITORY SERVED

TOWNSHIP 3 SOUTH - RANGE 15 WEST

SECTION 28

COMMENCE AT THE NW CORNER OF THE SW 1/4 OF NW 1/4 OF SAID SECTION 28, AND RUN EAST 33 FEET TO THE EAST R/W LINE OF WILDWOOD ROAD FOR THE P.O.B., THENCE SOUTH ALONG SAID R/W LINE 621 FEET TO THE INTERSECTION OF A CENTER LINE OF A CANAL EXTENDED A DISTANCE OF 2710 FEET MORE OR LESS TO THE INTERSECTION OF THE NORTHEASTERLY SHORE LINE OF A CANAL AND LAGOON, THENCE RUN SOUTHEASTERLY, NORTHEASTERLY ALONG THE SHORE LINE AND/OR BULKHEAD LINE OF SAID CANAL AND LAGOON TO WHERE IT INTERSECTS THE MEAN HIGH WATER LINE OF WEST BAY, THENCE RUN NORTHEASTERLY ALONG SAID MEAN HIGH WATER LINE A DISTANCE OF 900 FEET MORE OR LESS TO INTERSECTION WITH THE NORTH BOUNDARY LINE OF THE SW 1/4 OF NW 1/4 OF SAID SECTION 28, THENCE RUN WEST ALONG SAID LINE 5029.31 FEET TO THE POINT OF BEGINNING.

Lawrence N. Schumacher
President

NAME OF COMPANY
WATER TARIFF

BAYSIDE UTILITY SERVICES, INC.

MISCELLANEOUS

N/A

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
WATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "COMPANY" - BAYSIDE UTILITY SERVICES, INC.
- 2.0 "CONSUMER" - Any person, firm, association, corporation, governmental agency or similar organization supplied with water service by the Company.
- 3.0 "SERVICE" - Service, as mentioned in this tariff and in agreement with customers, shall be construed to include, in addition to all water service required by the customer the readiness and ability on the part of the Company to furnish water service to the customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.
- 4.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of an installation for utilizing water for any purpose ordinarily located on the customer's side of "Point of Delivery", whether such installation is owned by customer, or used by consumer under lease or otherwise.
- 5.0 "POINT OF DELIVERY" - The point where the Company's pipes or meters are connected with pipes of the customer.
- 6.0 "MAIN" - Shall refer to a pipe, conduit, or other facility installed to convey water service to individual service lines or to other mains.
- 7.0 "SERVICE LINES" - The pipes of the Company which are connected from the mains to point of Delivery.
- 8.0 "RATE SCHEDULE" - Refers to rates or charges for the particular classification of service.
- 9.0 "COMMISSION" - Refers to Florida Public Service Commission.
- 10.0 "CERTIFICATE" - Means the Water Certificate issued to the Company by the Commission.
- 11.0 "CUSTOMER" - Means the person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
WATER TARIFF

INDEX OF RULES AND REGULATIONS

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Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
WATER TARIFF

(Continued from Sheet No. 6.0)

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22.0	All Water Through Meter	13.0
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Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
WATER TARIFF

RULES AND REGULATIONS

- 1.0 POLICY DISPUTE - Any dispute between the Company and the customer or prospective customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.
- 2.0 GENERAL INFORMATION - The Company's Rules and Regulations, insofar as they are inconsistent with any Statute, Law or Commission Order shall be null and void. These Rules and Regulations are a part of the rate schedules, applications and contracts of the Company, and in the absence of specific written agreement to the contrary, they apply without modifications or change to each and every customer to whom the Company renders water service.

In the event that a portion of these Rules and Regulations are declared unconstitutional or void for any reason by any court of competent jurisdiction, such decision shall in no way affect the validity of the remaining portions of the Rules and Regulations for water service unless such court order or decision shall so direct.

The Company shall provide to all customers requiring such service within the territory described in its certificate upon such terms as are set forth in this tariff.

- 3.0 SIGNED APPLICATION NECESSARY - Water service is furnished only upon signed application or agreement accepted by the Company and payment of the initial connection fee. The conditions of such application or agreements are binding upon the customer as well as upon the Company. A copy of the application or agreement for water service accepted by the Company will be furnished to the applicant on request.

The applicant shall furnish to the Company the correct name, street address or lot and block number, at which water service is to be rendered.

- 4.0 APPLICATIONS BY AGENTS - Applications for water service requested by firms, partnerships, associations, corporations, and others, shall be rendered only by duly authorized parties when water service is rendered under agreement or agreement, entered into between the Company and an agent of the principal. The use of such water service by the principal shall constitute full and complete ratification by the principal of the agreement or agreements entered into between agent and the Company and under which such water service is rendered.

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
 WATER TARIFF

- 5.0 WITHHOLDING SERVICE - The Company may withhold or discontinue water service rendered under application made by any member or agent of a household, organization or business unless all prior indebtedness to the Company of such household, organization or business for water service has been settled in full.

Service may also be discontinued for any violation by the customer or consumer of any rule or regulation set forth in this tariff.

- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with the Rules/Orders/Tariff issued by the Commission.

- 7.0 LIMITATION OF USE - Water service purchased from the Company shall be used by the customer only for the purposes specified in the application for water service and the customer shall not sell or otherwise dispose of such water service supplied by the Company. Water service furnished to the customer shall be rendered directly to the customer through Company's individual meter and may not be remetered by the customer for the purpose of selling or otherwise disposing of water service to lessees, tenants, or others and under no circumstances shall the customer or customer's agent or any other individual, association or corporation install meters for the purpose of submetering said water service. In no case shall a customer, except with the written consent of the Company extend his lines across a street, alley, lane, court, property line, avenue, or other way, in order to furnish water service for adjacent property through one meter, even though such adjacent property may be owned by him. In case of such unauthorized extension, remetering, sale or disposition of service, customer's water service is subject to discontinuance until such unauthorized extension, remetering, sale or disposition is discontinued and full payment is made of bills for water service, calculated on proper classification and rate schedules and reimbursement in full made to the Company for all extra expenses incurred for clerical work, testing, and inspections.

- 8.0 CONTINUITY OF SERVICE - The company will at all times use reasonable diligence to provide continuous water service, and having used reasonable diligence, shall not be liable to the customer for failure or interruption of continuous water service. The company shall not be liable for any act or omission caused directly or indirectly by strikes, labor troubles, accident, litigations, breakdowns, shutdowns for emergency repairs, or adjustments, acts of sabotage, enemies

(Continued to Sheet No. 10.0)

Lawrence N. Schumacher
 President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

WATER TARIFF

(continued from Sheet No. 90)

of the United States, Wars, United States, State, Municipal or other governmental interference, acts of God or other causes beyond its control.

If at any time the Company schedules an interruption or discontinuance of its service, all customers affected by said interruption or discontinuance shall be given in advance not less than twenty-four(24) hours written notice.

9.0 TYPE AND MAINTENANCE - The customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with the standard practice, conforming with the Rules and Regulations of the Company, and in full compliance with all Laws and Governmental Regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the customer's pipes and facilities. The customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected, or which may adversely affect the water service; and the Company reserves the right to discontinue or withhold water service to such apparatus or device.

10.0 CHANGE OF CUSTOMER'S INSTALLATION - No changes or increases in customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company shall be made without written consent of the Company. The customer will be liable for any change resulting from a violation of this rule.

11.0 INSPECTION OF CUSTOMER'S INSTALLATION - All customer's water service installations or changes shall be inspected upon completion by competent authority to ensure that customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and such local governmental or other rules as may be in effect. Where municipal or other governmental inspection is required by local rules or ordinances, the company cannot render water service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

The Company reserves the right to inspect the customer's installation prior to rendering water service and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

12.0 PROTECTION OF COMPANY'S PROPERTY - The customer shall exercise reasonable diligence to protect the Company's property on the customer's premises, and shall knowingly permit no one but the Company's agents, or persons authorized by law, to have access to the Company's pipes and apparatus.

(Continued to Sheet No. 11.0)

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
WATER TARIFF

(Continued from Sheet No. 10.0)

In the event of any loss, or damage to property of the Company caused by or arising out of carelessness, neglect or misuse by the customer, the cost of making good such loss or repairing such damage shall be paid by the customer.

13.0 ACCESS TO PREMISES - The duly authorized agents of the Company shall have access at all reasonable hours to the premises of the customer for the purpose of installing, maintaining and inspecting or removing Company's property, reading meters and other purposes incident to performance under or termination of the Company's agreement with the customer and in such performance shall not be liable for trespass.

14.0 RIGHT OF WAY OR EASEMENTS - The customer shall grant or cause to be granted to the Company and without cost to the Company all rights, easements, permits, and privileges which are necessary for the rendering of water service.

15.0 BILLING PERIODS - Bills for water service will be rendered (Monthly, Bimonthly, Quarterly), bills are due when rendered be considered as received by customer when delivered or mailed to water service address or some other place mutually agreed upon.

Non-receipt of bills by customer shall not release or diminish obligation of customer with respect to payment thereof.

16.0 DELINQUENT BILLS - Bills are due when rendered, and if not paid within twenty (20) days thereafter become delinquent, and water service may then, after five (5) days written notice be discontinued. Service will be resumed only upon payment of all past-due bills, and reconnect charges have been approved. There shall be no liability of any kind against the Company by reason of discontinuance of water service to the consumer for failure of the consumer to pay the bills on time.

No partial payment of any bill rendered will be accepted by the Company, except by agreement with Company, or by order or direction of the Commission.

17.0 PAYMENT OF WATER AND SEWER SERVICE BILLS CONCURRENTLY - When both water and sewer service are provided by the Company, payment of any water service bill rendered by the Company to a water service customer shall not be accepted by the Company

(Continued to Sheet No. 12.0)

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

WATER TARIFF

(Continued from Sheet No. 11.0)

without the simultaneous or concurrent payment of any sewer service bill rendered by the Company. If the charges for water service are not so paid, the Company may discontinue both sewer service and water service to the customer's premises for non-payment of the water service charges or if the charges for sewer service are not so paid the Company may discontinue both water service and sewer service to the customer's premises for non-payment of the sewer service charge. The Company shall not reestablish or reconnect sewer service and water service or either of such services until such time as all sewer service charges and water service charges and all other expenses or charges established or provided for by these Rules and Regulations are paid.

- 18.0 TAX CLAUSE - A municipal or county franchise tax levied upon a water or sewer public utility shall not be incorporated in the rate for water or sewer service but shall be shown as a separate item on the utility's bills to its customers in such municipality or county.

This charge must be approved by the Commission before being incorporated in the customer's bills.

- 19.0 CHANGE OF OCCUPANCY - When change of occupancy takes place on any premises supplied by the Company with water service, WRITTEN NOTICE thereof shall be given at the office of the Company not less than three (3) days prior to the date of change by the outgoing customer, who will be held responsible for all water service used on such premises until such written notice is so received and the Company has had reasonable time to discontinue water service. However, if such written notice has not been received, the application of a succeeding occupant for water service will automatically terminate the prior account. Customer's deposit may be transferred from one service location to another, if both locations are supplied by the Company, consumer's deposit may NOT be transferred from one name to another.

For the convenience of its customers, the Company will accept telephone orders to discontinue or transfer water service and will use all reasonable diligence in the execution thereof. However, oral orders or advice shall not be deemed binding or be considered formal notification to the Company.

(Continued to Sheet No. 13.0)

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

WATER TARIFF

(Continued from Sheet No. 12.0)

20.0 UNAUTHORIZED CONNECTIONS - WATER - Connections to the Company's water system for any purpose whatsoever are to be made only by employees of the Company. Unauthorized connections render the service subject to immediate discontinuance without notice and water service will not be restored until such unauthorized connections have been removed and unless settlement is made in full or all water service estimated by the Company to have been used by reason of such unauthorized connection.

21.0 METERS - All water meters shall be furnished by and remain the property of the Company and shall be accessible and subject to its control. The customer shall provide meter space to the Company at a suitable and readily accessible location and when the Company considers it advisable, within the premises to be served, adequate and proper space for the installation of meters and other similar devices.

22.0 ALL WATER THROUGH METER - That portion of the Customer's installation for water service shall be so arranged that all water service shall pass through the meter. No temporary pipes, nipples or spaces are permitted and under no circumstances are connections allowed which may permit water to by-pass the meter or metering equipment.

23.0 ADJUSTMENT OF BILLS - When a customer has been overcharged or undercharged as a result of incorrect application of the rate schedule, incorrect reading of the meter, incorrect connection of the meter, or other similar reasons, the amount may be credited or billed to the customer as the case may be.

24.0 CUSTOMER DEPOSIT - ESTABLISHMENT OF CREDIT - Before rendering service, the Company may require an applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the customer from complying with the utilities rules for prompt payment. Credit will be deemed so established if: (A) The applicant for service furnishes a satisfactory guarantor to secure payment of bills for the service requested. (B) The applicant pays a cash deposit. (C) The applicant for service furnishes an irrevocable letter of credit from a bank or a surety bond. The amount of initial deposit shall be the following according to meter size:

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"		
1"		
1 1/2"		
2"		

The Company may require, upon reasonable written notice of not less than 30 days, such request or notice being separate and apart from any bill for service, a new deposit, where

(Continued to Sheet No. 14.0)

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

WATER TARIFF

(Continued from Sheet No. 13.0)

previously waived or returned, or an additional deposit, in order to secure payment of current bills; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charge for water and/or sewer service for two monthly billing periods for the 12-month period immediately prior to the date of notice. In the event the customer has had service less than 12 months, then the utility shall base its new or additional deposit upon the average actual monthly billing available.

The Company will pay interest on customer deposits at the rate of 8% per annum. The payment of interest will be made once each year as a credit on regular bills, and on final bills when service is discontinued. No customer depositor will receive interest on his deposit until at least six (6) months of continuous service, then interest will be paid from the date of the commencement of service. The Company will pay or credit accrued interest to the customers account during the month-of N/A each year.

After a residential customer has established a satisfactory payment record and has had continuous service for a period of 25 months, the Company shall refund the customer's deposit provided the customer has not, in the preceding 12 months, (a) made more than one late payment of the bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. The company may hold the deposit of non residential customers after the establishment of the 25 month satisfactory payment record, but shall pay interest at 9% per annum after such establishment. Nothing in the rule shall prohibit the Company from refunding a deposit in less than 25 months.

25.0 REQUEST FOR METER TEST BY CUSTOMER - Should any customer request a bench test of his water meter, the Company will require a deposit to defray cost of testing; such deposit not to exceed the following schedule of fees:

<u>METER SIZE</u>	<u>FEE</u>
5/8" x 3/4"	\$20.00
1" and 1 1/2"	\$25.00
2" and over	Actual Cost of test

(Continued to Sheet No. 15.0)

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
 WATER TARIFF

(Continued from Sheet No. 14.0)

If the meter is found to register in excess of the accuracy limits prescribed by the Commission, the deposit will be refunded; but if below such accuracy limit, the deposit will be retained by the Company as a service charge for conducting the test. Further, upon written request of any customer, the Company shall without charge, make a field test of the accuracy of the water meter in use at customer's premises provided that the meter has not been tested within the past six (6) months.

26.0 ADJUSTMENT OF BILLS FOR METER ERROR - In meter tests made by the Commission or by the Company, the accuracy of registration of the meter and its performance in service shall be judged by its average error. The average meter error shall be considered to be the average of the errors at the test rate flows.

FAST METERS - Whenever a meter tested is found to register fast in excess of the tolerance provided in the Meter Accuracy Requirements provision herein, the utility shall refund to the customer the amount billed in error for one-half the period since the last test; said one-half period not to exceed six (6) months except that if it can be shown that the error was due to some cause, the date of which can be fixed. The overcharge shall be computed back to but not beyond such date. The refund shall not include any part of any minimum charge.

METER ACCURACY REQUIREMENTS - All meters used for measuring quantity of water delivered to a customer shall be in good mechanical condition and shall be adequate in size and design for the type of service which they measure. Before being installed for the use of any customer every water meter, whether new, repaired or removed from service for any cause, shall be adjusted to register within the accuracy limits set forth in the following table:

<u>METER TYPE</u>	<u>ACCURACY LIMITS IN PERCENT</u>			
	<u>Maximum Rate</u>	<u>Intermediate Rate</u>	<u>New</u>	<u>Repaired</u>
Displacement	98.5-101.5	98.5-101.5	95-101.5	90-101.5
Current	97 -103	97 -103	95-103	90-103
Compound*	97 -103	97 -103	95-103	90-103

*The minimum required accuracy for compound meters at any rate within the ~ range of flows shall be 85%.

(Continued to Sheet No. 16.0)

Lawrence N. Schumacher
 President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

WATER TARIFF

(Continued~from Sheet No. 15.0)

27.0 The Company shall file with the Commission copies of all Guaranteed Revenue Contracts or special contracts for the sale of its product or services in a manner not specifically covered by its standard regulations or approved rate schedules prior to execution.

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

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Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

PANAMA CITY-BAY COUNTY

WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY - Available throughout the area served by the company.

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

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

BILLING PERIOD - Monthly

<u>RATE</u>	<u>- METER SIZE</u>	<u>BASE FACILITY CHARGE</u>
	5/8 x 3/4"	\$ 11.24
	3/4"	\$ 16.88
	1"	\$ 28.13
	1 1/2"	\$ 56.23
	2	\$ 89.96
	3'	\$ 179.93
	4	\$281.14
	6"	\$ 562.28

Gallonge Charge per 1,000 gallons

MINIMUM BILL - Base Facility Charge

\$ 1.82

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

EFFECTIVE DATE - November 13, 1995

Lawrence N. Schumacher
ISSUING PERSON

TYPE OF FILING - 1995 Price Index
& Water Pass-Thru

President
TITLE

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

PANAMA CITY-BAY COUNTY

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

RATE

	<u>BASE FACILITY CHARGE</u>
Single-family Homes	\$ 11.24
Double-wide Mobile Homes	\$ 11.24
Single-wide Mobile Homes	\$ 11.24
Recreational Vehicles	\$ 4.50

Gallonage Charge per 1,000 gallons	\$ 1.82
------------------------------------	---------

MINIMUM BILL - Base Facility Charge

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

EFFECTIVE DATE - November 13, 1995

Lawrence N. Schumacher
ISSUING PERSON

TYPE OF FILING - 1995 Price Index
& Water Pass-Thru

President
TITLE

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

WATER TARIFF

FIRE PROTECTION CHARGES

WATER

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY -

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

RATE - Public Fire Protection
per hydrant
Private Fire Protection

N/A

MINIMUM CHARGE -

TERMS OF PAYMENT -

Effective Date:

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

SCHEDULE OF METER INSTALLATION FEES --- WATER

AVAILABILITY - Available throughout the area served by the Company.

DEFINITION - The actual the water including or average cost to measuring device at materials and labor the utility to 1~sul~; the point of ~ reQui red.

APPLICABILITY - To all classifications of customers for the initial commencement of service at any given location.

RATE -

3/4" or 5/8"	\$	N/A
1"	\$	N/A
1 1/2"	\$	N/A
2"	\$	N/A

TERMS OF PAYMENT -

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

Water Tariff

Miscellaneous Service Charges

Water
Normal Hours

	<u>Sewer</u>			
	Normal Hours	After Hours		
Initial Connecton	\$10.00	\$15.00	\$10.00	\$15.00
Normal Reconnection	10.00	15.00	10.00	15.00
Vlolation Reconnection	10.00	15.00	ktual Cost	ktual Cost
Premises Visit (In lieu of disconnection)	5.00	N/A	\$ 5.00	N/A

(Where the utility provides both water and sewer service, only one charge is appropriate).

(1) INITIAL CONNECTION - This charge would be levied for service initiation at a location where service did not exist previously.

(2) NORMAL RECONNECTION - This charge would be levied for transfer of service to a new customer account at the same location or reconnection of service subsequent to a customer re-uested disconnection.

(3) VIOLATION RECONNECTION - This charge would be levied subseaut to disconnection of service for cause Including a delinquency in bill payment.

(4) PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge would be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Effective Date: For service rendered on or after January 25' 1989

Notes: Staff-Assisted Rate Case - Final Charges

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
WATER TARIFF

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Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
WATER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

N/A

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
WATER TARIFF

APPLICATION FOR WATER SERVICE

Customer's Name

Customer's Address

Customer's Telephone (home) (work)

I hereby make application to Bayside Park for water and sewer service. I have reviewed the utility's tariff and I agree to abide by the rules and regulations contained therein. I understand that the charges for utility are set by the Florida Public Service Commission and I agree to pay my bill for service in accordance with the utility's approved rates and in accordance with the tariff.

Signature of applicant

Lawrence N. Schumacher
President

NAME OF COMPANY
WATER TARIFF

BAYSIDE UTILITY SERVICES, INC.

APPLICATION FOR METER INSTALLATION

N/A

Lawrence N. Schumacher
President

NAME OF COMPANY
WATER TARIFF

BAYSIDE UTILITY SERVICES, INC.

COPY OF CUSTOMER'S BILL

Lawrence N. Schumacher
ISSUING OFFICER
President
TITLE

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

WATER TARIFF

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| 10.0 | Design by Independent Engineers | |
| 11.0 | Customer Connection (Tap-in). | |
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| 15.0 | Transfer of Contributed Property - Bills of Sale | |
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| 20.0 | Developer Agreements | |
| | Table of Daily Flows | |
| | Schedule of Fees and Charges | |

-OR-

(IF POLICY IS ONE PAGE IN LENGTH OR LESS)

Service Availability Policy	N/A
Table of Daily Flows	
Schedule of Fees and Charges	

Lawrence N. Schumacher
President

NAME OF COMPANY
WATER TARIFF

BAYSIDE UTILITY SERVICES, INC.

SERVICE AVAILABILITY POLICY

N/A

Lawrence N. Schumacher
President

SEWER TARIFF

BAYSIDE UTILITY SERVICES, INC.
NAME OF COMPANY

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

SEWER TARIFF

BAYSIDE UTILITY SERVICES, INC.
NAME OF COMPANY

200 WEATHERSFIELD AVENUE

ALTAMONTE SPRINGS, FL 32714
(ADDRESS OF COMPANY)

407-869-1919
(Business Telephone Number)

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

SEWER TARIFF

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Lawrence N. Schumacher
President

NAME OF COMPANY
Sewer Tariff

BAYSIDE UTILITY SERVICES, INC.

TERRITORY SERVED

Certificate Number:

358-S

Commission Orders Approving Territory Served:

<u>Order Number:</u>	<u>Docket Number:</u>	<u>Date Approved:</u>	<u>Type:</u>
12760	820021 -S(ap)	Dec. , 93	Org
Certificate 15205	8401 97-SU	Oct. 8, 1885	
Reconsideration 18966	870940--S	March 8, 1988	Name
Change			

(continued to sheet no. 3.1)

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
SEWER TARIFF
(continued from sheet 3.0)

DESCRIPTION OF TERRITORY SERVED

TOWNSHIP 3 SOUTH - MNGE 15 WEST SECTION 29

COM?4ENCE AT THE NW CORNER OF THE SW 1/4 OF NW
1/4 OF SAID SECTION 28, AND RU- EAST 33 FEET
TO THE EAST R/W LINE OF WILDWOOD ROAD FOR THE
P.O.B., THENCE SOUTH ALONG SAID RIW LINE 621
FEET TO THE INTERSECTION OF A CENTER LINE OF
A CANAL EXTENDED A DISTANCE OF 2710 FEET MORE
OR LESS TO THE INTERSECTION OF THE NORTHEAST-
E-LY SHORE LINE OF A CANAL AND LAGOON, THENCE
RUN SOUTHEASTERLY. NORTHEASTERLY ALONG THE
SHORE LINE AND/OR BULKHEAD LINE OF SAID CANAL
AND LAGOON TO WHERE IT INTERSECTS THE MEAN
HIGH WATER LINE OF WEST BAY, THENCE RUN
NORTHEASTERLY ALONG SAID MEAN HIGH WATER LINE
A DISTANCE OF 900 FEET MORE OR LESS TO
INTERSECTION WITH THE NORTH BOUNDARY LINE
OF THE SW 1/4 OF NW 1/4 OF SAID SECTION 28,
THENCE RUN WEST ALONG SAID LINE 5029.31 FEET
TO THE POINT OF BEGINNING.

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
SEWER TARIFF

MISCELLANEOUS

N/A

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
SEWER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 NCOMPANY' - BAYSIDE UTILITY SERVICES, INC.
- 2.0 UCONSUMERN - Any person, firm, association, corporation, governmental agency or similar organization supplied with sewer service by the Company.
- 3.0 NSERVICEUU - Service, as mentioned in this tariff and in agreement with customers, shall be construed to include, in addition to all sewer service required by the customer the readiness and ability on the part of the Company to furnish sewer service to the customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.
- 4.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of an installation for disposing sewage located on the customer's side of "Point of Collection"¹¹ whether such installation is owned by customer, or used by consumer under lease or otherwise.
- 5.0 POINT OF COLLECTION" - The point where the Company's pipes or meters are connected with pipes of the consumer.
- 6.0 "MAIN"¹ - Shall refer to a pipe, conduit, or other facility installed to convey sewer service from individual service lines or other mains.
- 7.0 "SERVICE LINES"¹ - The pipes of the Company which are connected from the mains to point of collection.
- 8.0 NRATE SCHEDULE" - Refers to rates or charges for the particular classification of service.
- 9.0 COMMISSION" - Refers to Florida Public Service Commission.
- 10.0 CERTIFICATE¹¹ - Means the Sewer Certificate issued to the Company by the Commission.
- 11.0 UCUSTOMERU - Means the person, firm or corporation who has entered into an agreement to receive sewer service from the Company and who is liable for the payment of that sewer service.

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
SEWER TARIFF

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Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

SEWER TARIFF

(Continued from Sheet No. 6.0)

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Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
SEWER TARIFF

RULES AND REGULATIONS

1.0 POLICY DISPUTE - Any dispute between the Company and the customer or prospective customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.

2.0 GENERAL INFORMATION - The Company's Rules and Regulations, insofar as they are inconsistent with any Statute, Law or Commission Order shall be null and void. These Rules and Regulations are a part of the rate schedules, applications and contracts of the Company and in the absence of specific written agreement to the contrary, they apply without modification or change to each and every customer to whom the Company renders sewage service.

In the event that a portion of these Rules and Regulations are declared unconstitutional or void for any reason by any court of competent jurisdiction, such decision shall in no way affect the validity of the remaining portions of the Rules and Regulations for sewage service unless such court order or decision shall so direct.

The Company shall provide to all customers requiring such service within the territory described in its certificate upon such terms as are set forth in this tariff.

3.0 SIGNED APPLICATION NECESSARY - Sewage service is furnished only upon signed application or agreement accepted by the Company and the conditions of such application or agreement are binding upon the customer as well as upon the Company. A copy of the application or agreement for sewer service accepted by the Company will be furnished to the applicant on request.

The applicant shall furnish to the Company the correct name, street address or lot and block number, at which sewer service is to be rendered.

4.0 APPLICATIONS BY AGENTS - Applications for sewer service requested by firms, partnerships, associations, corporations, and others, shall be rendered on by duly authorized parties. When sewer service is rendered under agreements entered into between the Company and an agent of the principal, the use of such sewer service by the principal or agent shall constitute and complete ratification by the principal of the agreement or agreements entered into between agent and the Company and under which such sewer service is rendered.

(Continued to Sheet No. 9.0)

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

SEWER TARIFF

(Continued from Sheet No. 8.0)

5.0 NITHNOLDING SERVICE - The Company may withhold or discontinue sewer service rendered under application made by any member or agent of a household, organization or business unless all prior indebtedness to the Company of such household, organization or business for sewer service has been settled in full.

Service may also be discontinued for any violation by the customer or consumer of any rule or regulation set forth in this tariff.

6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with the Rules/Orders/Tariff issued by the Commission.

7.0 LIMITATION OF USE - Sewer service purchased from the Company shall be used by the consumer only for the purposes specified in the application for sewer service. Sewer service furnished to the consumer shall be for the consumer's own use and sewage shall be received directly from the consumer into the Company's main sewer lines. In no case shall a consumer, except with the written consent of the Company extend his lines across a street, alley, lane, court, property line, avenue, or other way, in order to furnish sewer service for adjacent property, even though such adjacent property may be owned by him. In case of such unauthorized extension, sale or disposition of service, consumer's sewer service is subject to discontinuance until such unauthorized extension, sale or disposition is discontinued and full payment is made of bills for sewer service, calculated on proper classifications and rate schedules and reimbursement in full made to the Company for all extra expenses incurred for clerical work, testing, and inspections.

8.0 CONTINUITY OF SERVICE - The company will at all times use reasonable diligence to provide continuous sewer service, and having used reasonable diligence, shall not be liable to the customer for failure or interruption of continuous sewer service. The company shall not be liable for any act or omission caused directly or indirectly by strikes, labor troubles, accident, litigations, breakdowns, shutdowns for emergency repairs, or adjustments, acts of sabotage, enemies of the United States, Wars, United States, State, Municipal or other governmental interference, acts of God or other causes beyond its control.

If at any time the Company schedules an interruption or discontinuance of its service, all customers affected by said interruption or discontinuance shall be given in advance not less than twenty-four (24) hours written notice.

(continued to Sheet No. 10.0)
Lawrence N. Schumacher

President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

SEWER TARIFF

(Continued from Sheet No. 9.0)

9.0 TYPE AND MAINTENANCE - The customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with the standard practice, conforming with the Rules and Regulations of the Company, and in full compliance with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the customer's pipes and facilities. The customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected, or which may adversely affect the sewer service; and the Company reserves the right to discontinue or withhold sewer service to such apparatus or device.

10.0 CHANGE or CUSTOMER'S INSTALLATION - No changes or increases in customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company shall be made without written consent of the Company. The customer will be liable for any change resulting from a violation of this rule.

11.0 INSPECTION OF CUSTOMER'S INSTALLATION - All customer's sewer service installations or changes shall be inspected upon completion by competent authority to ensure that customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and such local governmental or other rules as may be in effect. Where municipal or other governmental inspection is required by local rules or ordinances, the company cannot render sewer service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

The Company reserves the right to inspect the customer's installation prior to rendering sewer service and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

12.0 PROTECTION OF COMPANY'S PROPERTY - The customer shall exercise reasonable diligence to protect the Company's property on the customer's premises, and shall knowingly permit no one but the Company's agents, or persons authorized by law, to have access to the Company's pipes and apparatus.

In the event of any loss, or damage to property of the Company caused by or arising out of carelessness, neglect or misuse by the customer, the cost of making good such loss or repairing such damage shall be paid by the customer

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

SEWER TARIFF

(Continued from Sheet No. 10.0)

- 13.0 ACCESS TO PREMISES - The duly authorized agents of the Company shall have access at all reasonable hours to the premises of the customer for the purpose of installing, maintaining and inspecting or removing Company's property, and other purposes incident to performance under or termination of the Company's agreement with the customer and in such performance shall not be liable for trespass.
- 14.0 RIGHT OF WAY OR EASEMENTS - The customer shall grant or cause to be granted to the Company and without cost to the Company all rights, easements, permits, and privileges which are necessary for the rendering of sewer service.
- 15.0 B PERIODS - Bills for sewer service will be rendered (Month-Bimonthly, Quarterly), bills are due when rendered (1Tr~~~all be considered as received by customer when delivered or mailed to sewer service address or some other place mutually agreed upon.

Non-receipt of bills by customer shall not release or diminish obligation of customer with respect to payment thereof.

- 16.0 DELINQUENT BILLS - Bills are due when rendered, and if not paid within twenty (20) days thereafter become delinquent, and sewer service may then, after five (5) days written notice be discontinued. Service will be resumed only upon payment of all past-due bills and penalties, together with a reconnection charge established on the basis of the expenses incurred in the reconnection and restoration of service which shall be non-discriminatory in its application. There shall be no liability of any kind against the Company by reason of discontinuance of sewer service to the consumer for failure of the consumer to pay the bills on time.

No partial payment of any bill rendered will be accepted by the Company, except by agreement with Company, or by order of the Commission.

- 17.0 PAYMENT OF SEWER AND WATER SERVICE BILLS CONCURRENTLY - When both sewer and water service are provided by the Company, payment of any sewer service bill rendered by the Company to a sewer service consumer shall not be accepted by the Company without the simultaneous or concurrent payment of any water service bill rendered by the Company. If the charges for sewer service are not so paid, the Company may discontinue both sewer service and water service to the consumer's premises for non-payment of the sewer service charges or if the

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

SEWER TARIFF

(Continued from Sheet No. 11.0)

charges for water service are not paid the Company may discontinue both water service and sewer service to the consumer's premises for non-payment of the water service charge. The Company shall not reestablish or reconnect sewer service and water service or either of such services until such time as all sewer service charges and water service charges and all other expenses or charges established or provided for by these Rules and Regulations.

- 18.0 EVIDENCE OF CONSUMPTION - The initiation or continuation or resumption of water service to the premises shall constitute the initiation, continuation, or resumption of sanitary sewer service to the premises, regardless of occupancy.
- 19.0 TAX CLAUSE - A municipal or county franchise tax levied upon a water or sewer public utility shall not be incorporated in the rate for water or sewer service but shall be shown as a separate item on the utility's bills to its customers in such municipality or county.

This charge must be approved by the Commission before being incorporated in the customer's bills.

- 20.0 CHANGE OF OCCUPANCY - When change of occupancy takes place on any premises supplied by the Company with sewer service, WRITTEN NOTICE thereof shall be given at the office of the Company not less than three (3) days prior to the date of change by the outgoing Customer, who will be held responsible for all sewer service used on such premises until such written notice is so received and the Company has had reasonable time to discontinue sewer service. However, if such written notice has not been received, the application of a succeeding occupant for sewer service will automatically terminate the prior account. Customer's deposit may be transferred from one service location to another, if both locations are supplied by the Company. Customer's deposit may NOT be transferred from one name to another.

For the convenience of its customers, the Company will accept telephone orders to discontinue or transfer sewer service and will use all reasonable diligence in the execution thereof. However, oral orders or advice shall not be deemed binding or be considered formal notification to the Company.

(Continued to Sheet No. 13.0)

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
 SEWER TARIFF
 (Continued from Sheet No. 12.0)

- 21.0 UNAUTHORIZED CONNECTIONS - SEWER - Connections to the Company's sewer-system for any purpose whatsoever are to be made only by employees of the Company. Unauthorized connections render the service subject to immediate discontinuance without notice and sewer service will not be restored until such unauthorized connections have been removed and unless settlement is made in full and for sewer service estimated by the Company to have been used by reason of such unauthorized connection
- 22.0 ADJUSTMENT OF BILLS - When a customer has been overcharged or undercharged as a result of incorrect application of the rate schedule, or, if sewer service is measured by water consumption, a meter error is determined, the amount may be credited or billed to the customer, as the case may be.
- 23.0 CUSTOMER DEPOSIT - ESTABLISHMENT OF CREDIT - Before rendering service, the Company may require an applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the customer from complying with the utilities rules for prompt payment. Credit will be deemed so established if: (A) The applicant for service furnishes a satisfactory guarantor to secure payment of bills for the service requested. (B) The applicant pays a cash deposit.
 (C) The applicant for service furnishes an irrevocable letter of credit from a bank or a surety bond. The amount of initial deposit shall be the following according to meter size:

	<u>Residential</u>	<u>General Service</u>
518" x 3/4"	N/A	N/A
1" 1"	N/A	N/A
1 1/2"	N/A	N/A
2"	N/A	N/A

The Company may require, upon reasonable written notice of not less than 30 days, such request or notice being separate and apart from any bill for service, a new deposit, in order to secure payment of current bills; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charge for water and/or sewer service for two monthly billing periods for the 12-month period immediately prior to the date of notice. In the event the customer has had service less than 12 months, then the utility shall base its new or additional deposit upon the average actual monthly billing available.

(Continued to Sheet No. 14.0)

Lawrence N. Schumacher
 President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
SEWER TARIFF

(Continued from Sheet No. 13.0)

The Company will pay interest on customer deposits at the rate of 8~ per annum. The payment of interest will be made once each year as a credit on regular bills, and on final bills when service is discontinued. No customer depositor will receive interest on his deposit until at least six (6) months of continuous service, then interest will be paid from the date of the commencement of service. The Company will pay or credit accrued interest to the customers account during the month of N/A each year.

After a residential customer has established a satisfactory payment record and has had continuous service for a period of 25 months, the Company shall refund the customer's deposit provided the customer has not, in the preceeding 12 months, (a) made more than one late payment of the bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with a check refused by a bank, (c) been disconnected for non-payment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or unauthorized manner. The company may hold the deposit of non residential customers after the establishment of the 25 month satisfactory payment record, but shall pay interest of 9~ per annum after such establishment. Nothing in the rule shall prohibit the Company from refunding a deposit in less than 25 months.

- 24.0 The Company shall file with the Commission copies of all Guaranteed Revenue Contracts or special contracts for the sale of its product or services in a manner not specifically covered by its standard regulations or approved rate schedules prior to execution.

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
Sewer Tariff

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Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

PANAMA CITY-BAY COUNTY

WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY - Available throughout the area served by the company.

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

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

BILLING PERIOD - Monthly

<u>RATE</u> -	<u>METER SIZE</u>	<u>BASE FACILITY CHARGE</u>
	5/8 x 3/4"	\$10.73
	3/4"	\$16.07
	1"	\$26.82
	1 1/2"	\$53.63
	2"	\$85.80
	3"	\$171.61
	4"	\$268.16
	6"	\$536.31
	Gallonage Charge per 1,900 gallons	\$ 3.73

MINIMUM BILL - Base Facility Charge

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

EFFECTIVE DATE - November 13, 1995

Lawrence N. Schumacher
ISSUING PERSON

TYPE OF FILING - 1995 Price Index
& Wastewater Pass-Thru

President
TITLE

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

PANAMA CITY- BAY COUNTY

WASTEWATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY Available throughout the area served by the Company,

APPLICABILITY - For wastewater 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

RATE

BASE FACILITY CHARGE

Single-family Homes	\$ 10.73
Double-wide Mobile Homes	\$ 10.73
Single-wide Mobile Homes	\$ 10.73
Recreational Vehicles	4.29

Gallonage Charge per 1,000 gallons
\$ 3.15

MINIMUM BILL - Base Facility Charge

TERM 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 - November 13, 1995

Lawrence N. Schumacher
ISSUING PERSON

TYPE OF FILING 1995 Price Index
& Wastewater Pass-Through

President
TITLE

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

PANAMA CITY-BAY COUNTY

WASTEWATER TARIFF

GENERAL SERVICE

RATE SCHEDULE 1.F CS

AVAILABILITY - Available throughout the area served by the company.

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

LI-MITATIONS Subject to all of the Rules and Regulations of this tariff and General Rule; and Regulations of the Commission.

BILLING PERIOD Monthly

<u>RATE</u>	<u>METER SIZE</u>	<u>BASE FACILITY CHARGE</u>
	5-8 x 3/4e	\$10.73
	3/4W	\$16.07
	1"	\$26.82
	1 1/2"	\$53.63
	2 1/2"	\$85.80
	3"	\$171.61
	4 U	\$268.16
	6"	\$536.31
	Gallons Charge per 1000 gallons	\$3.73

MINIMUM BILL - Base Facility Charge

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

EFFECTIVE DATE - November 13, 1995

TYPE OF BILLING - 1995 Price Index
6 Wastewater Pass-Thru

Lawrence N. Schumacher
ISSUING PERSON
President

TITLE

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

PANAMA CITY-BAY COUNTY

WASTEWATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For wastewater 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

RATE

BASE FACILITY CHARGE

Single-family Homes	\$ 10.73
Double-wide Mobile Homes	\$ 10.73
Single-wide Mobile Homes	\$ 10.73

Recreational Vehicles	\$ 4:29
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Gallonage Charge per 1,000 gallons	\$ 3.15
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MINI-UM BILL- Base Facility Charge

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

EFFECTIVE DATE - November 13, 1995

Lawrence N. Schumacher

ISSUING PERSON

TYPE OF FILING - 1995 Price Index & Wastewater Pass-Thru

President

TITLE

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
SEWER TARIFF

MULTI-RESIDENTIAL SERVICE

RATE SCHEDULE MS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For sewer 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 ~ this Tariff and General Rules and Regulations of the Commission.

RATE - N/A

MINIMUM CHARGE PER-

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) days written notice, service may then be discontinued.

Effective Date:

Lawrence N. Schumacher
President

NAME OF COMPANY: BAYSIDE UTILITY SERVICES, INC.
 SEWER TARIFF

Miscellaneous Service Charges

	<u>Water</u>		<u>Sewer</u>	
	Normal Hours	After Hours	Normal Hours	After Hours
Initial Connecton	\$10.00	\$15.00	\$10.00	\$15.00
Normal Reconnection	10.00	15.00	10.00	15.00
Violation Reconnection	10.00	15.00	Actual Cost	Actual Cost
Premises Visit (in lieu of disconnection)	5.00	N/A	\$ 5.00	N/A

(Where the utility provides both water and sewer service, only one charge is appropriate).

(1) INITIAL CONNECTION - This charge would be levied for service initiation at a location where service did not exist previously.

(2) NORMAL RECONNECTION - This charge would be levied for transfer of service to a new customer account at the same location or reconnection of service subsequent to a customer requested disconnection.

(3) VIOLATION RECONNECTION - This charge would be levied subsequent to disconnection of service for cause Including a delinquency in bill payment.

(4) PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge would be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Effective Date: For service rendered on or after January 25, 1989
 Notes: Staff-Assisted Rate Cases - Final Charges

Lawrence N. Schumacher
 President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.

SEWER TARIFF

INDEX OF STANDARD FORMS

	<u>Sheet Number</u>
CUSTOMER'S GUARANTEE DEPOSIT RECEIPT	20.0
APPLICATION FOR SEWER SERVICE	21.0
COPY OF CUSTOMER'S BILL	22.0

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICE, INC.
SEWER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

N/A

Lawrence N. Schumacher
President

NAME OF COMPANY
SEWER TARIFF

BAYSIDE UTILITY SERVICES, INC.

APPLICATION FOR WATER SERVICE

Customer's Name

Customer's Address

Customer's Telephone (home)

(work)

I hereby make application to Bayside Park for water and sewer service have reviewed the utility's tariff and I agree to abide by the rules and regulations contained therein. I understand that the charges for utility service are set by the Florida Public Service Commission and I agree to pay my monthly bill for service in accordance with the utility's approved rates and charges and in accordance with the tariff.

Signature of applicant.

Lawrence N. Schumacher
President

NAME OF COMPANY
SEWER TARIFF

BAYSIDE UTILITY SERVICES, INC.

COPY OF CUSTOMER'S BILL

Lawrence N. Schumacher
President

NAME OF COMPANY
SEWER TARIFF

BAYSIDE UTILITY SERVICES, INC.

INDEX OF SERVICE AVAILABILITY

<u>Rule Number</u>		<u>Sheet Number</u>
1.0	General Information	
2.0	Availability	
3.0	Obligations of Utility	
4.0	Obligations of Developer	
5.0	Off-Site Facilities	
6.0	On-Site Facilities	
7.0	Construction of Oversized Facilities	
8.0	Refundable Advances	
9.0	System Design and Construction	
10.0	Design by Independent Engineers	
11.0	Customer Connection (Tap-in)	
12.0	Customer Installation (Customer Maintained Lines).	
13.0	Inspections	
14.0	Transfer of Contributed Property - Bills of Sale..	
15.0	Cost Records and "As-Built" Plans	
16.0	Easements and Rights-of-Way	
17.0	Acceptance of Facilities	
18.0	Extensions Outside Certificated Territory	
19.0	Developer Agreements	
	Table of Daily Flows	
	Schedule of Fees and Charges	

-OR-

(IF POLICY IS ONE PAGE IN LENGTH OR LESS)

Service Availability Policy	24.0
Table of Daily Flows	
Schedule of Fees and Charges	25.0

Lawrence N. Schumacher
President

NAME OF COMPANY: WYANDOTT UTILITIES, INC.
SEWER TARIFF

SERVICE AVAILABILITY POLICY

There has been no previously approved service availability charge or policy; and the utility has not collected connection charges.

The existing balance of CIAC was established at the time of transfer (Order No. 15205. issued on October 8.1985).

There is a possibility of 65 new connections which would require additional lines. A plant capacity charge has been established for possible future connections.

Lawrence N. Schumacher
President

NAME OF COMPANY BAYSIDE UTILITY SERVICES, INC.
SEWER TARIFF

SCHEDULE OF FEES AND CHARGES

<u>DESCRIPTION</u>	<u>SEWER</u>	<u>AMOUNT</u>	<u>SHEET NO.</u>
Plant Capacity charge			
Residential-per ERC (1 ERC			
= a mobile home connection)		\$300	24.0
All others		Actual Cost	24.0

EFFECTIVE DATE: For service rendered on or after January 25, 1989

Notes: Staff-Assisted Rate Case - Final Charges

Lawrence N. Schumacher
President