BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment of Certificate No. 349-S to include additional territory in Highland County by HARDER HALL-HOWARD, INC. DOCKET NO. 920093-SU

In re: Complaint against HARDER HALL-HOWARD, INC. for alleged infringement upon certificated area in Highlands County served by HIGHLANDS UTILITIES CORPORATION DOCKET NO. 920069-SU ORDER NO. PSC-92-1185-AS-SU ISSUED: 10/19/92

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK LUIS J. LAUREDO

ORDER APPROVING STIPULATION, AMENDMENT TO CERTIFICATE NO. 349-S
OF HARDER HALL-HOWARD, INC., DELETION TO CERTIFICATE NO. 361-S OF
HIGHLANDS UTILITIES CORPORATION, AND CLOSING DOCKET

BY THE COMMISSION:

BACKGROUND

On January 17, 1992, Highlands Utilities Corporation (Highlands) filed a Complaint and Petition against Harder Hall-Howard, Inc., (Harder or utility) for infringing on its Public Service Commission (PSC or Commission) certificated service area by offering wastewater service to a customer in Highlands' service area. On January 26, 1992, Harder responded to Highlands' complaint by giving notice that it would seek an amendment to its PSC certificate to include territory presently certificated by the PSC to Highlands. The territory at issue is a 5-acre parcel of land on which an outlet mall known as Inn On The Lakes has been constructed. The parcel lies partially in Highlands' territory and partially in Harder's certificated territory.

On January 31, 1992, Harder Hall-Howard, Inc. filed an application for an amendment to its certificated territory pursuant to Section 367.045, Florida Statutes. The amendment was for the portion of the territory presently included in Highlands'

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certificated territory. In response to the utility's notice of filing said application, Highlands filed a timely objection.

Although the complaint and amendment were separately docketed, the issues in the two cases were similar enough that the Commission Chairman consolidated the cases for the purpose of hearing. The hearing was scheduled for September 24 and 25, 1992. A signed Settlement agreement was filed on August 11, 1992.

The amendment and deletion will have no effect on the number of systems of Harder Hall-Howard, Inc. or Highlands Utilities Corporation.

SETTLEMENT AGREEMENT

The Settlement agreement is attached hereto and marked "Attachment A." We find that the Settlement agreement is a reasonable resolution to both Highlands' complaint and its objection to Harder's amendment.

The basis of the complaint was the infringing on Highlands' PSC certificated territory by Harder to provide wastewater service to a proposed outlet mall development known as Inn On The Lakes. Inn On The Lakes traverses both utilities' present certificated territories. The developer entered into a service agreement with Harder to provide service to the development. Harder then applied to this Commission to amend its certificate to include the entire development and Highlands objected. On June 16, 1992, a Settlement agreement was reached between Harder and Highlands and submitted to the Commission for approval. The Settlement agreement details that Harder Hall-Howard, Inc. will give Highlands Utilities Corporation \$12,000. In return, Highlands Utilities Corporation will withdraw its objection to Harder Hall-Howard providing service to Inn On The Lakes.

Since the Settlement will resolve all of the concerns of both Harder and Highlands, we accept and approve the settlement as a reasonable resolution of this controversy.

AMENDMENTS TO CERTIFICATES

Harder Hall-Howard, Inc. is a Class C utility, which provides wastewater service to residents of Highlands County under Certificate No. 349-S. The annual report for 1991 indicates that

the gross revenue for wastewater was \$9,964 and the net operating income for wastewater was (\$11,066). Highlands Utilities Corporation is a Class B utility, which provides wastewater service to residents of Highlands County under Certificate No. 361-S. The annual report for 1991 indicates that the gross revenue for wastewater was \$254,474 and the net operating income for wastewater was (38,749).

On January 31, 1992, Harder Hall-Howard, Inc. filed its application for amendment of its wastewater certificate to include additional territory in Highlands County. The application is in compliance with the governing statute, Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for amendment of certificate. The application contained a check in the amount of \$150, which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The applicant has provided evidence in the form of a warranty deed that the utility owns the land on which the utility's facilities are located as required by Rule 25-30.036(1)(d), Florida Administrative Code.

Adequate service territory and system maps and territory description have been provided as prescribed by Rule 25-30.036(1)(e),(f), and (i), Florida Administrative Code. A description of the territory requested by the utility is attached as Attachment B. The utility submitted an affidavit consistent with Section 367.045(2)(d), Florida Statutes, that it has tariffs and annual reports on file with the Commission.

Presently, Harder Hall-Howard, Inc. provides quality wastewater service to approximately 45 wastewater customers in Highlands County. The utility has the capability and financial resources to adequately serve the additional territory. With the addition of the one new customer, the relative impact to the utility's financial situation should be minimal.

The proposed additional territory is located in close proximity to the utility's existing service area. The local planning agency was provided notice of the application and did not file a protest to the amendment. The utility stated the extension is in compliance with the Highlands County Comprehensive Plan. The Department of Environmental Regulation was contacted and stated that Harder Hall-Howard, Inc. has no violations at the present time.

Inn On The Lakes is the only customer being served within the amended territory area. Also, Inn On The Lakes acknowledges and approves of its territory being deleted by Highlands Utilities Corporation to facilitate being provided service by Harder Hall-Howard, Inc.

Based on the above information, we find it is in the public interest to grant the application of Harder-Hall Howard, Inc. for amendment of Certificate No. 349-S and the deletion of territory for Highlands Utilities Corporation Certificate No. 361-S. The utilities have filed revised tariff sheets, which reflect the amended territory description and returned their certificates for entry to reflect the amendment and deletion.

The amendment to Harder Hall-Howard, Inc.'s Certificate No. 349-S and the deletion to Highlands Utilities Corporation's Certificate No. 361-S are hereby approved. The proposed amended territory for Harder Hall-Howard and deletion for Highlands is described in Attachment B.

RATES AND CHARGES

The utility's approved rates and charges were effective July 5, 1991, pursuant to Order No. 24713 issued in Docket No. 910149-SU, a transfer docket. The utility indicated and we agree that the proposed amendment will have no significant impact on its existing rates and charges. The current rates and charges shall be applied to customers in the new service territory.

Based on the foregoing, it is, therefore

ORDERED by the Florida Public Service Commission that the Stipulation between Harder Hall-Howard, Inc. and Highlands Utilities Corporation, attached to this Order as Attachment A, is hereby accepted and approved. It is further

ORDERED that the amendment to Harder Hall-Howard Inc.'s Certificate No. 349-S and the deletion to Highlands Utilities Corp.'s Certificate No. 361-S are hereby approved. The amended territory for Harder Hall-Howard and the deletion for Highlands are described in Attachment B to this Order. It is further

ORDERED that the utility shall charge its authorized rates and charges to customers in the new service territory. It is further

ORDERED that these dockets are hereby closed.

By ORDER of the Florida Public Service Commission this $\underline{19th}$ day of $\underline{October}$, $\underline{1992}$.

STEVE TRIBBLE, Director

Division of Records and Reporting

(SEAL)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

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

ATTACHMENT A

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Complaint filed against Harder Hall-Howard, Inc. for alleged infringement upon certificated area in Highlands County served by Highlands Utilities Corp.

DOCKET NUMBER: 920069-SU

IN RE: Application for amendment of certificate No. 349-S to include additional territory in Highlands County by Harder Hall-Howard, Inc. DOCKET NUMBER: 920093-SU

RELEASE AND SETTLEMENT AGREEMENT

WHEREAS, Highlands Utilities Corp., ("Highlands") by and through its undersigned attorneys, filed a Complaint with the Florida Public Service Commission("FPSC") against Harder Hall-Howard, Inc., ("Harder Hall") for infringing upon its certificated service area, which was assigned FPSC Docket No. 920069-SU; and

WHEREAS, Harder Hall filed an application with the FPSC to extend its certificated service area, which was assigned FPSC Docket No. 920093-SU, and which application was protested by Highlands; and

WHEREAS, Harder Hall and Highlands desire to compromise and settle their respective claims rather than incur the expense and uncertainty of the result of the FPSC proceedings in Docket No. 920069-SU and 920093-SU;

NOW THEREFORE, for and in consideration of the mutual covenants set forth hereinbelow, Harder Hall and Highlands agree as follows:

- Upon the approval of this Agreement by the FPSC, Harder Hall shall pay to Highlands the sum of Twelve Thousand Dollars (\$12,000.00).
- The property described in Exhibit "A" hereto shall be deleted from the FPSC certificated service area of Highlands, and included in the FPSC certificated service area of Harder Hall.
- 3. Harder Hall agrees that Highlands has the ability to provide wastewater service within its remaining FPSC certified service area, and Harder hall shall not provide wastewater service within Highlands currently certificated service area, as described in Exhibit "B" hereto, except as to that property described in Exhibit "A" hereto.
- 4. Highlands and Harder Hall have acquitted, released, exonerated and discharged and do hereby acquit, release, exonerate and forever discharge each other of and from all, and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity that each ever had, now have or which any respective parent, subsidiaries, related or affiliated entities, shareholders, officers, directors, affiliates, employees, agents, contractors, subcontractors, insurers, successors and assigns of Highlands or Harder Hall shall or may have against each other, including a respective parent, subsidiaries, related or affiliated entities, shareholders, officers, directors, affiliates, employees, agents, contractors,

subcontractors, insurers, successors, and assigns which arise or may have arisen out of the incidents that are the subject matter of FPSC Docket Nos. 920069-SU and 920093-SU.

- 5. This Release and Settlement Agreement is subject to the approval of the FPSC. If this Release and Settlement Agreement is not approved by the FPSC in its exact terms and conditions, then it shall become null and void, and its terms and conditions may not be utilized in any proceedings, including but not limited to those in FPSC Docket Nos. 920069-SU and 920093-SU. Highlands and Harder Hall shall cooperate in the presentation of this Agreement to the FPSC for its approval.
- Each party agrees to execute any and all documents necessary to effectuate the intent and purpose of this Agreement.
- 7. The undersigned have read this Release and Settlement Agreement in the presence of their attorneys in this cause, and understand the purpose, intent and effect of this Release. This complete Release and Settlement Agreement contains and sets forth the entire agreement between the parties hereto, and there is no part of the agreement between them and in respect of the premises which is not fully, completely, accurately and truly set forth herein. The parties to this Release and Settlement Agreement recognize that this Agreement may be executed in various counterparts or duplicate originals, each of which shall constitute an original.
- 8. If it becomes necessary to enforce this Agreement, attorney's fees and costs through appeal shall be assessed in favor of the prevailing party.

> > HIGHLANDS UTILITIES CORP.

(Corporate Seal)

Dixon Pugh, President

(Corporate Seal)

HARDER HALL-HOWARD, INC.

Paul E. Howard, President

> STATE OF FLORIDA COUNTY OF HIGHLANDS

THE FOREGOING INSTRUMENT was acknowledged before me this 4th day of June, 1992, by Dixon Pugh, President, of Highlands Utilities, Corp., a Florida corporation, on behalf of the corporation, who is personally known to me.

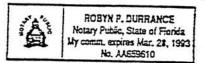
Gran. P. Durance.

Printed Name: Kobun P. Durance

Notary Public

State of Florida

My Commission Expires:



STATE OF FLORIDA COUNTY OF HIGHLANDS

THE FOREGOING INSTRUMENT was acknowledged before me this day of June, 1992, by Paul E. Howard, President, of Harder Hall-Howard, Inc., a Florida corporation, on behalf of the corporation, who [] is personally known to me or [] has produced as identification.

Printed Name: |

Notary Public

State of Florida

My Commission Expires: 5 22 5

EXHIBIT "A"

Proposed Service Territory:

That portion of the Southeast 1/4 of the Southeast 1/4 of the Southeast 1/4 of Section 36, Township 34 South, Range 28 East, Highlands County, Florida, lying Southeasterly of Lake Drive Boulevard (formerly South Bay Boulevard).

AND

That portion of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of Section 31, Township 34 South, Range 29 East, Highlands County, Florida, lying Southeasterly of Lake Drive Boulevard (formerly South Bay Boulevard) and westerly of U.S. Highway No. 27 (formerly Lake Jackson Boulevard).

NAME OF COMPANY: H YLANDS UTILITIES CORPORAT N

TERRITORY, SERVED

Township 34 South, Range 28 East 3. A E-132 The West 660 feet thereof, AND the West 660 feet, AND the North 660 feet less the West 660 feet thereof, AND the West 1/2 of the East 1/2 of the Northwest 1/4 less the North 660 feet thereof, AND the Southeast 1/4 of the Southeast 1/4 of the Northwest 1/4, AND the South 1/2 of the Northeast 1/4 of the Southeast 1/4 of the Northwest Northwest 1/4

SECTION 27

The Northwest 1/4 of the Northwest 1/4 of the Northwest 1/4, AND the Southwest 1/4 of the Northwest 1/4 of the Northwest 1/4, AND the Northwest 1/4 of the Southwest 1/4 of the Northwest 1/4, AND the Southwest 1/4 of the Southwest 1/4 of the Northwest 1/4, AND the Southwest 1/4 of the Southwest 1/4 of the Northwest 1/4, AND the Southwest 1/4 of the Northwest 1/4, AND the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4, AND the West 1/2 of the Northwest 1/4, AND the East 660 feet of the Southwest 1/4

The West 1/2, AND the Southwest 1/4 of the Northeast 1/4, AND the South 1/2 of the Southeast 1/4 of the Northeast 1/4, AND the East 1/2 of the East 1/2 of the Southeast 1/4, AND the West 1/2 of the Northeast 1/4 of the Southeast 1/4, AND the West 1/2 of the Northeast 1/4 of the Southeast 1/4, AND the West 1/2 of the Southeast 1/4

Beginning at a point on the West line of said Section 36, 240 feet South of the Northwest corner of said Section 36, thence run in an Easterly direction along a line parallel with the North line of said Section 36 to a point on the Westerly Right-of-Way line of U.S. Highway No. 27, thence run in a Southeasterly direction along the Westerly Right-of-Way line of said U.S. Highway No 27 to a point on the East line of said Section 36; thence run in a Southerly direction along the East line of said Section 36; thence run in a Southerly direction along the East line of said. Section 36 to a point being 400 feet from the Westerly Right-of-Way line of said U.S. Highway No. 27 as measured at right angles; thence run in a Northwesterly direction along a line 400 feet Southwesterly of and parallel with the Westerly Right-of-Way line of said U.S. Highway No. 27 to a point on the Northerly Right-of-Way line of Hammock Road (S.P. No. 634); thence run in a Southwesterly direction along the Northerly Right-of-Way line of Said Section 36; thence run in a Northerly direction along the West line of said Section 36 to the Point of Beginning, AND also including the Southeast 1/4 of said Section 36

NAME OF COMPANY: HIGHLANDS UTILITIES CORPORATION

an area described as commencing at the Northwest corner of the intersection of S.R. 634 and U.S. Bighway 27, thence following the Northerly Right-of-Way of said S.R. 634 a distance of 365 feet to the Point of Beginning, thence continuing along said Northerly Right-of-Way a distance of 500 feet, thence in a Northwesterly direction along the Hestern boundary of Tract S Highland Wheel Mobile Park, a distance of 700 feet, thence in a Northeasterly direction along the North boundary of said Highland Wheel Mobile Park a distance of 500 feet, thence following the East boundary of said Highland Wheel Mobile Park in a Southerly direction a distance of 700 feet to the Point of Beginning, and LESS that area of the Southeast 1/4 of Section 36 known as the City of Secting Golf Course.

Township 34 South, Range 29 East SECTION 31 The South 660 feet of said Section 31.

SECTION 32
That portion of the West 1/2 of the Southwest 1/4 of said Section 32
which lies North of Lakeview Drive and South of Lake Jackson.

Township 35 South, Range 29 East SECTION 6
That portion of the North 1/2 of said Section 6 which lies North of Jackson Creek Canal and East of Little Lake Jackson.

Township 33 South, Range 28 East SECTION 21
That portion of the Northeast 1/4 of the Southeast 1/4 of said Section 21 known as VALENCIA ACRES SUBDIVISION.

Township 36 South, Range 30 East SECTION 31

The West 1/2 of the Southeast 1/4 of the Southeast 1/4 of said Section 31, and the portion of the West 1/2 of the East 1/2 of said section which lies South of Alderman Drive.

Township 37 South, Range 30 East SECTION 6

Beginning at a point on the North line of said Section 6 and the Easterly Right-of-Way line of U.S. Highway No. 27; thence run in an Easterly direction along the North line of said Section 6 for a distance of 660 feet; thence run in a Southerly and Southeasterly direction along a line 660 feet East of and parallel with the Easterly Right-of-Way line of said U.S. Highway No. 27 to a point on the South line of said Section 6; thence run in a Westerly direction along the South line of Section 6 to a point on the Easterly Right-of-Way line of said U.S. Righway No. 27; thence run in a Northwesterly and Northerly direction along the Easterly Right-of-Way line of said U.S. Highway No. 27; thence run in a Northwesterly and Northerly direction along the Easterly Right-of-Way line of said U.S. Highway No. 27 to the Point of Beginning: AND a parcel of land in the Northwest 1/4 of said Section 6, bounded on the North by Plumosa Avenue, on the West by Spruce Street, on the South by the Seaboard Coastline Railroad, on the East by U.S. Highway No. 27.

SECTION 7
Beginning at a point on the North line of said Section 7 and the Easterly Right-of-Way of U.S. Highway No. 27; thence run along the North line of said Section 7 to a point 660 feet Easterly of and measured at right angles to the Easterly Right-of-Way line of said U.S. Highway No. 27; thence run in a Southeasterly direction along a line 660 feet Easterly of and parallel with the Easterly Right-of-Way of U.S Highway No. 27 to a point on the East line of said Section 7; thence run in a Southerly direction along the East line of said Section 7 to a point on the Easterly Right-of-Way line of said U.S. Highway No. 27; thence run in a Northwesterly direction along the Easterly Right-of-Way line of said U.S. Highway No. 27; thence run in a Northwesterly direction along the Easterly Right-of-Way line of said U.S. Highway No. 27 to the Point of Beginning.

NAME OF COMPANY: HIGHLANDS UTILITIES CORPORATION

BECTION 8
Beginning at a point on the South line of said Section 8 and the Easterly Right-of-Way line of U.S. Highway No. 27; thence run in an Easterly direction along the South line of said Section 8 to a point 660 feet Easterly of the Easterly Right-of-Way line of said U.S. Highway No. 27 as measured at right angles; thence run in a Northwesterly direction along a line 660 feet Easterly of and parallel with the Easterly Right-of-Way line of said U.S. Highway No. 27 to a point on the West line of said Section 8; thence run in a Southerly direction along the West line of said Section 8 to a point on the Easterly Right-of-Way of said U.S. Bighway No. 27; thence run in a Southeasterly Right-of-Way of said U.S. Bighway No. 27; thence run in a Southeasterly direction along the Easterly Right-of-Way line of said U.S. Highway No. 27 to the Point of Beginning,

AND
The Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4 of said Section 8
LESS

LESS the West 240 feet of the South 432 feet thereof.

SECTION 17
Begin at a point on the North line of said Section 17 and the Easterly Right-of-Way line of U.S. Highway No. 27; thence run in an Easterly direction along the North line of said Section 17 to a point 660 feet Easterly of the Easterly Right-of-Way line of said U.S. Highway No. 27 as measured at right angles; thence run in a Southeasterly direction along a line 660 feet Easterly of and parallel with the Easterly Right-of-Way line of U.S. Highway No. 27 to the shore line of Lake Grassy; thence run in a Southwesterly and Southerly direction along the shore line of said Lake Grassy to a point on the South line of said Section 17; thence run in a Northwesterly direction along the Easterly Right-of-Way line of said U.S. Highway No. 27 to the Point of Beginning.

SECTION 20
That portion of the East 1/2 of said Section 20 which lies East of U.S. Eighway No. 27.

SECTION 21
That portion of the Northwest 1/4 of the Southwest 1/4 of said Section 21 which lies West of Lake Grassy.

Township 34 South, Range 28 East

SECTION 14

The South 1/2 of the Northwest 1/4

AND
The North 1/2 of the Southwest 1/4

AND
The Northwest 1/4 of the Southeast 1/4 of the Southwest

1/4

AND
The Northeast 1/4 of the Southwest 1/4 of the Southwest

1/4

The North Half of Section 27, Township 34 South, Range 28 East, Highlands County, Plorida, LESS the Northwest Quarter of the Southeast Quarter of the Northeast Quarter, AND The East 660 feet of the Southeast Quarter of Section 27, Township 34 South, Range 28 East, Highlands County, Florida,

NAME OF COMPANY: HIGHLANDS UTILITIES CORPORATION

A portion of Section 23, Township 34 South, Range 28 East, Highlands County, Florida, more particularly described as follows: BEGIN at the Northwest corner of said Section 23; thence run Southerly along the West line of said Section 23 to the Southwest corner of said Section 23; thence run Easterly along the Southerly line of said Section 23 to the Southeast corner of said Section 23; thence run Northerly along the East line of said Section 23 to a point of intersection with the westerly line of LAKE JACKSON BOULEVARD as recorded in TB 10 of the Public Records of Highlands County, Florida; thence run in a Northwesterly and Northerly direction along the Westerly lines of said LAKE JACKSON BOULEVARD and WEST BEACH SUBDIVISION as recorded in Plat Book 1 at page 57 of the Public Records of Highlands County, Florida, to a point of intersection with the North line of the South Half of said Section 23; thence run in a Westerly direction along the North line of the South Half of said Section 23 to the Easterly right-of-way line of U.S. Righway No. 27; thence run in a Northwesterly direction along the Easterly right-of-way line of said U.S. Highway No. 27 to a point of intersection with the North right-of-way line of a 40 foot county road; thence run in an Easterly direction along the North line of said 40 foot county road to a point of intersection with the Westerly line of LAKE JACKSON BOULEVARD as recorded in TB 10 of the Public Records of Highlands County, Florida;

NAME OF COMPANY: HIGHLANDS UTILITIES CORPORATION

thence run in a Northerly and Northeasterly direction along the Westerly line of said LAKE JACKSON BOULEVARD to a point of intersection with the South line of LAKE JACKSON HEIGHTS as recorded in Plat Book 7 at page 52 of the Public Records of Highlands County, Florida; thence run in a Westerly direction along the South line and an extension thereof of said LAKE JACKSON HEIGHTS to the Easterly right-of-way line of U.S. Highway No. . . 27; thence run in a Northwesterly direction-along the Easterly right-of-way line of said U.S. Highway No. 27 to a point of intersection with the North line of said Section 23; thence run in a Westerly direction along the North line of said Section 23 to the POINT OF BEGINNING,

All of Block A, WEST SEBRING ADDITION, as per plat recorded in plat book 4, page 77, Public Records of Highlands County, Florida, of Section 14, Township 34 South, Range 28 East, Highlands County, Florida,

The EAST 1/2 of Section 31, Township 36 South, Range 30 East, Highlands County, Florida, LESS

The West 1/2 of the Southeast 1/4 of the Southeast 1/4 of said Section 31, and the portion of the West 1/2 of the East 1/2 of said section which lies South of Alderman Drive,

The East 1/2 of the West 1/2
AND
the West 1/2 of the East 1/2 of Section
6, Township 37 South, Range 30 East,
Highlands County, Florida,
LESS

NAME OF COMPANY: HIGHLANDS UTILITIES CORPORATION

Beginning at a point on the North line .. of said Section 6 and the Easterly Right-of-Way line of U.S. Highway No. 27; thence run in an Easterly direction -along the North line of said Section 6 for a distance of 660 feet; thence run in a Southerly and Southeasterly direction along a line 660 feet East of and parallel with the Easterly Right-of-Way line of said U.S. Highway No. 27 to a point on the South line of said Section 6; thence run in a Westerly direction along the South line of Section 6 to a point on the Easterly Right-of-Way line of said U.S. Highway . No. 27, thence run in a Northwesterly and Northerly direction along the Easterly Right-of-Way line of said U.S. . Highway No. 27 to the Point of

Beginning, AND a parcel of land in the Northwest 1/4 of said Section 6, bounded on the North by Plumosa Avenue, on the West by Spruce Street, on the South by the Seaboard Coastline Railroad, on the East by U.S. Highway No. 27,

The Southwest 1/4 of Section 8, Township , 37 South, Range 30 East, Highlands County, Florida, LESS

Beginning at a point on the South line of said Section 8 and the Easterly Right-of-Way line of U.S. Highway No. 27; thence run in an Easterly direction along the South line of said Section 8 to a point 660 feet Easterly of the Easterly Right-of-Way line of said U.S. Highway No. 27 as measured at right angles; thence run in a Northwesterly direction along a line 660 feet Easterly of and parallel with the Easterly Right-of-Way line of said U.S. Highway No. 27 to a point on the West line of said Section 8; thence run in a Southerly direction along the West line of said Section 8 to a point on the Easterly Right-of-Way of said U.S. Highway No. 27; thence run in a Southeasterly direction along the Easterly Right-of-Way line of said U.S. Highway No. 27 to the Point of Beginning, AND

the Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4 of said Section 8.

NAME OF COMPANY: HIGHLANDS UTILITIES CORPORATION

WASTEWATER TARIFF

(Continued from Sheet No. 3.0)

DESCRIPTION OF TERRITORY SERVED

AREA FORMERLY SERVED BY PUGH SEPTIC TANK SERVICE, INC.

BEING THE NORTH 600 FEET OF THE SOUTH 1,535.98 FEET OF THE NE 1/4 OF SECTION 25, LYING EAST OF U.S. HWY. NO. 27, JWP 34 SOUTH, RGE. 28 EAST, HIGHLANDS COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT THE S.E. CORNER OF THE NE 1/4 OF SEC. 26, TWP. 34 SOUTH, RGE. 28 EAST, THENCE NORTH ALONG THE SECTION LINE A DISTANCE OF 935.98 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE NORTH ALONG THE SECTION LINE A DISTANCE OF 600.00 FEET TO A POINT, THENCE NORTH 89°54' 10" West a DISTANCE OF 1811.10 FEET TO THE EASTERLY BOUNDARY OF U.S. HWY. NO. 27, THENCE SOUTHEAST ALONG THE EASTERLY R/W OF U.S. HWY. NO. 27 WITH A CURVE TO THE LEFT HAVING A RADIUS OF 11,334.16 FEET AN ARC DISTANCE OF 74.51 FEET TO A POINT OF TANGENCY, THENCE CONTINUE SOUTH 29°57' 10" EAST ALONG THE EASTERLY R/W OF U.S. HWY. NO. 27 A DISTANCE OF 618.51 FEET TO A POINT. THENCE SOUTH 89°54' 10" EAST A DISTANCE OF 1,465.32 FEET TO THE POINT OF BEGINNING.

ATTACHMENT B

Proposed Service Territory:

That portion of the Southeast 1/4 of the Southeast 1/4 of the Southeast 1/4 of Section 36, Township 34 South, Range 28 East, Highlands County, Florida, lying Southeasterly of Lake Drive Boulevard (formerly South Bay Boulevard).

AND

That portion of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of Section 31, Township 34 South, Range 29 East, Highlands County, Florida, lying Southeasterly of Lake Drive Boulevard (formerly South Bay Boulevard) and westerly of U.S. Highway No. 27 (formerly Lake Jackson Boulevard).