

**LOWNDES
DROSDICK
DOSTER
KANTOR &
REED, P.A.**

Attorneys at Law

Ernest R. Drosdick
(1936-1982)
James Ballesta
William A. Beckett
William R. Bird, Jr.
Matthew G. Brenner
Dale A. Burket
Charles C. Carrington
W. Terry Costolo
Janet M. Courtney
William E. Doster
William T. Dymond, Jr.
Richard J. Fildes

Miranda F. Fitzgerald
Thomas E. Francis
Julia L. Frey
Louis Frey, Jr.
Barry L. Goff
Aaron J. Gorovitz
Linda C. Hankins
James F. Heekin, Jr.
Robert F. Higgins
Loran A. Johnson
Gary M. Kaleita
Hal H. Kantor
James G. Kattelmann
Joseph G. Kern

Joseph A. Lane
R. Kimbark Lee
John F. Lowndes
Timothy J. Manor
Daniel F. McIntosh
H. Gregory McNeill
David E. Peterson
Nicholas A. Pope
Shawn G. Rader
Morey Raiskin
John A. Reed, Jr.
Michael Ryan
Margaret H. Schreiber
Cleatous J. Simmons

Gary R. Soles
James M. Spoonhour
Scott C. Thompson
Julian E. Whitehurst
Jon C. Yergler
Terry C. Young
Casey M. Cavanaugh
Clinton R. Darien, Jr.
Teresa B. Finer
Darrell D. Garvey
James J. Hocter
Peter L. Lopez
Bryan T. McCully

8/29/94
2:40pm
John G. Morris
Samuel M. Nelson
T. Todd Pittenger
Patrick K. Rinka
Mark D. Scimeca
T. Austin Simmons
Wendy L. Spidler
Christopher P. Tessitore
James S. Toscano
David G. Williford
Of Counsel:
Matthew E. Beal

August 25, 1994

**ORIGINAL
FILE COPY**

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399

Re: Sanlando's Prehearing Statement

Petition of SANLANDO UTILITIES CORPORATION for A Limited Proceeding to Implement Water Conservation Plan in Seminole County.

Docket No.: 930256-WS

Dear Ms. Bayo:

Enclosed are one (1) original and fifteen (15) copies of Sanlando's Prehearing Statement for filing with the Division of Records and Reporting, Florida Public Service Commission. An additional copy of Sanlando's Prehearing Statement is included for indexing and return to the undersigned in the enclosed self-addressed stamped envelope. Also, per your staff's instructions, I have enclosed a diskette containing the Prehearing Statement along with an extra copy of the exhibits.

Please file this Prehearing Statement appropriately. Thank you for your attention to this matter.

Very truly yours,

Cleatous J. Simmons /H.
Cleatous J. Simmons

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EPSC-BUREAU OF RECORDS

- ACK
- AFA _____
- APP _____
- CAF _____
- CMU CJS/tli
- CTR Enclosures
- EAG _____
- LEG D'Sullivan
- LIN 4
- OPC _____
- RCH _____
- SEC 1
- WAS Rendell
- OTH _____

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215 NORTH EOLA DRIVE • POST OFFICE BOX 2809 • ORLANDO, FLORIDA 32802
TELEPHONE 407-843-4600 • FAX 407-423-4495

MEMBER OF COMMERCIAL LAW AFFILIATES WITH OFFICES IN PRINCIPAL CITIES WORLDWIDE

DOCUMENT NUMBER-DATE
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STATE OF FLORIDA
PUBLIC SERVICE COMMISSION

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IN RE:)
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)
Petition of SANLANDO UTILITIES)
CORPORATION For A Limited)
Proceeding to Implement Water)
Conservation Plan in)
Seminole County)
)

DOCKET NO.: 930256-WS

PREHEARING STATEMENT

SANLANDO UTILITIES CORPORATION ("Sanlando"), by and through its undersigned attorneys, and pursuant to Rule 25-22.038(3), Florida Administrative Code, and pursuant to that certain Order Establishing Procedure (Order No. PSC-94-0375-PCO-WS), hereby files its Prehearing Statement, and states as follows:

WITNESSES THAT MAY BE CALLED BY SANLANDO
AND THE SUBJECT MATTER OF THEIR TESTIMONY

1. Sanlando may call George H. Billings, Jr., Chief Financial Officer of Sanlando, and if called, he will testify about the following:

a. Matters discussed in direct testimony filed by Sanlando.

b. Financial analyses.

2. Sanlando may call Hampton P. Conley, Executive Vice President of Sanlando, and if called, he will testify about the following:

a. Matters discussed in direct testimony filed by Sanlando.

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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

3. Sanlando may call Yaping Wang, Resource Economist at the St. Johns River Water Management District, and if called, he will testify about the following:

a. Matters discussed in direct testimony filed by Sanlando.

b. Inverted rate structures and analysis of water use versus rates.

4. Sanlando may call William R. Holmes, Office Manager of the Orlando, Florida branch office of Conklin Porter & Holmes, and if called, he will testify about the following:

a. Matters discussed in direct testimony filed by Sanlando.

b. Design and cost of water reuse facility.

DESCRIPTION OF ALL EXHIBITS THAT MAY BE USED BY
SANLANDO AND THE WITNESS SPONSORING EACH EXHIBIT

5. Petitioner's Exhibit "A" consists of a Reuse System Schematic drawing of the Wekiva Wastewater Treatment Plant and will be sponsored by William R. Holmes.

6. Petitioner's Exhibit "B" consists of a drawing of the Reuse Distribution Main for Sanlando and will be sponsored by William R. Holmes.

7. Petitioner's Exhibit "C" consists of a copy of Sanlando's Proposed Water Reuse Program First Amendment dated January 31, 1993 and will be sponsored by George H. Billings, Jr.

SANLANDO'S FUNDAMENTAL POSITION IN THIS PROCEEDING

The proposed water conservation plan, prepared and filed by Sanlando and approved by the Florida Public Service Commission ("FPSC") is in all respects reasonably fair, and legally supportable. Sanlando does not possess the funds to construct a reuse facility without precollection through increased rates and an escrow as provided for in the conservation plan.

QUESTIONS OF FACT THAT SANLANDO CONSIDERS AT ISSUE

Issue 1: Should the water conservation plan as prepared by Sanlando be approved by the FPSC?

Issue 2: Should Sanlando be allowed to implement the water conservation plan?

Issue 3: How should facilities (plant) created under the water conservation plan be carried on Sanlando's books?

SANLANDO'S POSITION ON EACH QUESTION OF FACT IN ISSUE

Issue 1: Yes, it should be approved.

Issue 2: Yes, it should be implemented.

Issue 3: The facilities should be carried on Sanlando's books as a depreciable asset, non-CIAC.

IDENTIFICATION OF WITNESSES WHICH WILL
ADDRESS EACH QUESTION OF FACT IN ISSUE

Issue 1: Hampton P. Conley, George H. Billings, Jr.
and Yaping Wang

Issue 2: Hampton P. Conley, George H. Billings, Jr.
and Yaping Wang

Issue 3: George H. Billings, Jr.

QUESTIONS OF LAW THAT SANLANDO CONSIDERS AT ISSUE

NONE

SANLANDO'S POSITION ON EACH QUESTION OF LAW IN ISSUE

NONE

POLICY QUESTIONS THAT SANLANDO CONSIDERS AT ISSUE

NONE

SANLANDO'S POSITION ON EACH POLICY QUESTION IN ISSUE

NONE

IDENTIFICATION OF WITNESSES WHICH WILL
ADDRESS EACH POLICY QUESTION IN ISSUE

NONE

ISSUES THAT HAVE BEEN STIPULATED TO BY ALL PARTIES

NONE

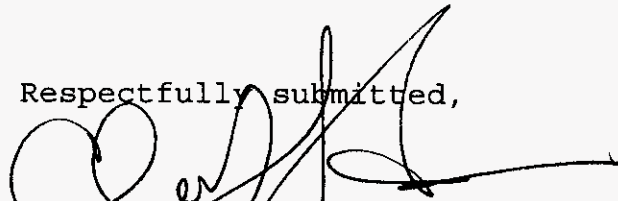
PENDING MOTIONS AND MATTERS UPON WHICH SANLANDO SEEKS ACTION

8. Sanlando seeks action on Sanlando's Motion to Dismiss pending before the Public Service Commission.

REASONS WHY SANLANDO CANNOT PROVIDE ANY OF
THE INFORMATION LISTED ABOVE, IF ANY

9. All information required to be included in a prehearing statement by that certain Order Establishing Procedure (Order No. PSC-94-0375-PCO-WS) is included in this Prehearing Statement filed by Sanlando.

Respectfully submitted,



CLEATUS J. SIMMONS, ESQUIRE
Florida Bar No: 0240737
LOWNDES, DROSDICK, DOSTER,
KANTOR & REED, PROFESSIONAL
ASSOCIATION
215 N. Eola Drive
Post Office Box 2809
Orlando, Florida 32802
407/843-4600

Attorney for
SANLANDO UTILITIES CORPORATION

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original and fifteen (15) copies of the foregoing Prehearing Statement were filed with the Division of Records and Reporting, Florida Public Service Commission and one (1) true and correct copy was forwarded by United States Mail/Hand Delivery(*) this 25th day of August, 1994 to the following parties of record:

Nancy B. Barnard, Esquire
Assistant General Counsel
St. Johns River Water
Management District
Post Office Box 1429
Palatka, Florida 32178-1429

Jennifer L. Burdick, Esquire
Assistant General Counsel
St. Johns River Water
Management District
Post Office Box 1429
Palatka, Florida 32178-1429

(*) John F. Lowndes, Esquire
Lowndes, Drosdick, Doster, Kantor
& Reed, Professional Association
215 N. Eola Drive
Orlando, Florida 32801

Kathy Biddell
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399

Maggie O'Sullivan, Esquire
Division of Legal Service
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399

Jack Shreve, Public Counsel
Stephen C. Reilly, Associate Public Counsel
Office of Public Counsel
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Robert L. Taylor
1900 Summit Tower Boulevard, Suite 800
Orlando, Florida 32810

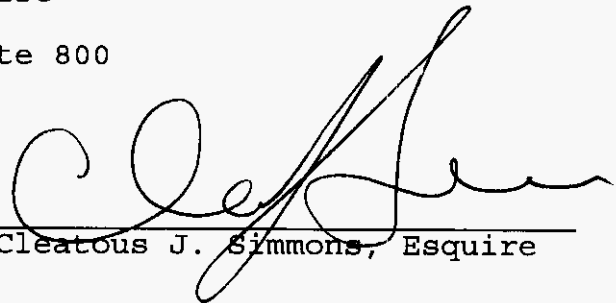
Tricia A. Madden
108 Beaufort Drive
Longwood, Florida 32779

Robert E. Swett
106 Wyndham Court
Longwood, Florida 32779

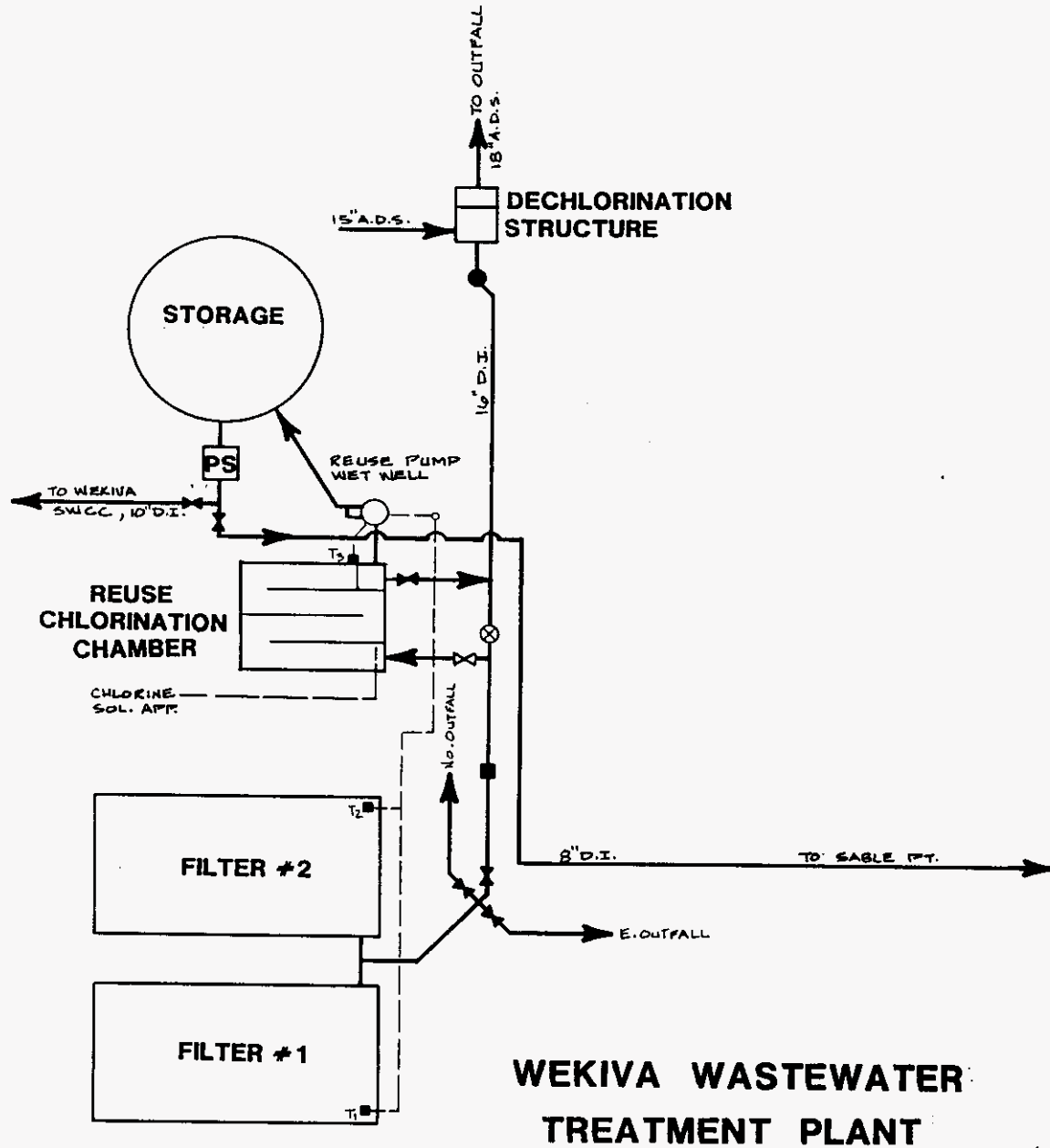
Jack Hiatt
1816 Wingfield Drive
Longwood, Florida 32779;

Charles Lee
Senior Vice President
Florida Audubon Society
460 Highway 436, Suite 200
Casselberry, Florida 32707

E. Givens Goodspeed, Esquire
Giles & Robinson, P.A.
390 N. Orange Avenue, Suite 800
Post Office Box 2631
Orlando, Florida 32802

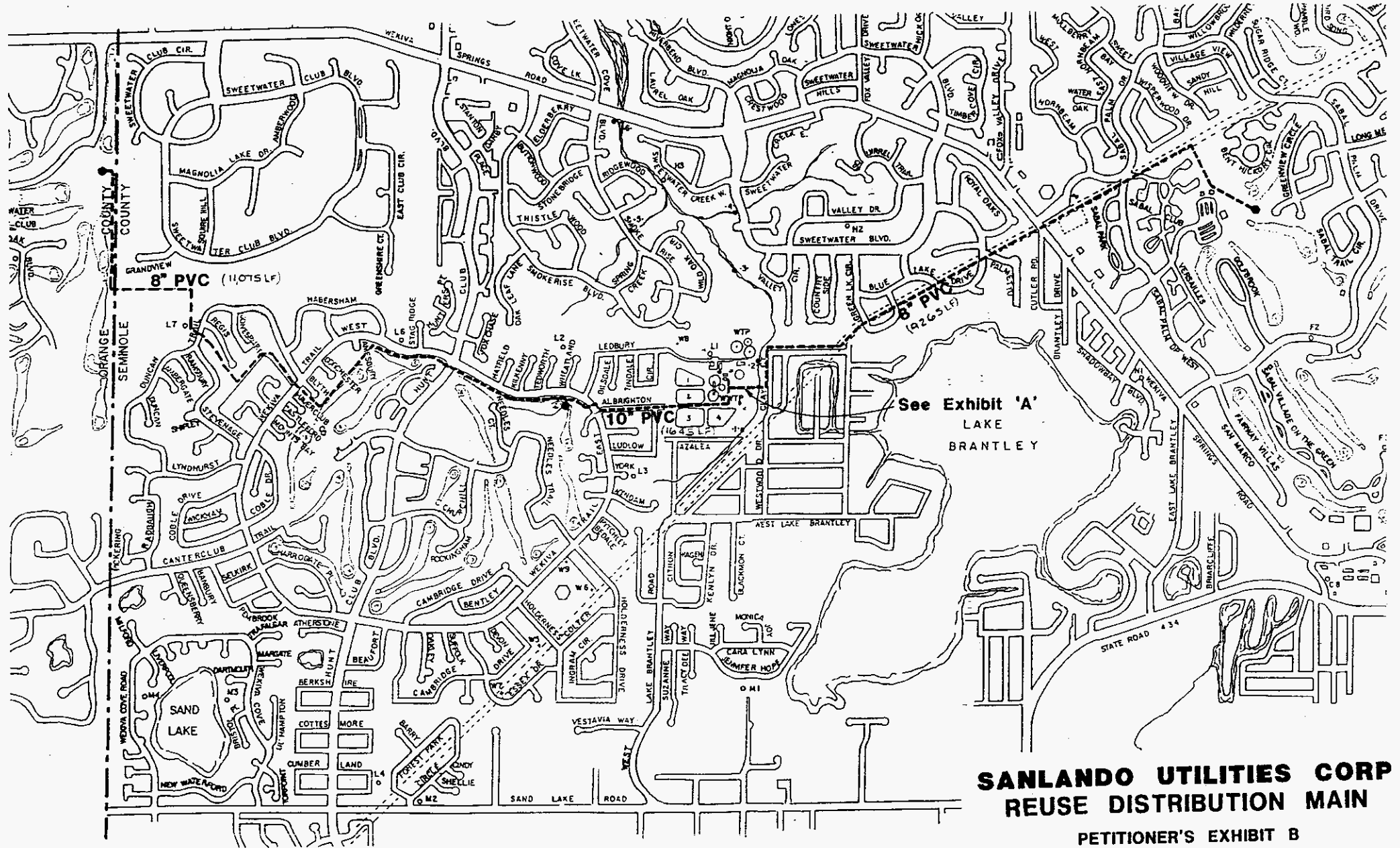


Cleatus J. Simmons, Esquire



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**REUSE SYSTEM SCHEMATIC
PETITIONER'S EXHIBIT A**



See Exhibit 'A'
LAKE
BRANTLEY

SANLANDO UTILITIES CORP
REUSE DISTRIBUTION MAIN
PETITIONER'S EXHIBIT B

PROPOSED WATER REUSE PROGRAM
FIRST AMENDMENT DATED 1/31/93
SANLANDO UTILITIES CORPORATION

On July 10, 1992. The Florida Department of Environmental Regulation issued Operating Permit Number D059-200447 to Sanlando Utilities Corporation authorizing Sanlando to continue operating its Wekiva wastewater treatment plant. Included in the specific conditions of the operating permit, specifically paragraphs 3 and 4, are conditions requiring Sanlando to enter into preliminary discussions with Florida Public Service Commission Staff and Commissioners, (to the extent permitted by law), to determine if the Public Service Commission would allow implementation of reuse water conservation rates which will provide capital funding for the construction and installation of the necessary improvements to further treat and deliver reclaimed wastewater to three golf courses located within Sanlando's service area. Paragraph 4 requires that on-site plant modifications and improvements be completed by December 31, 1995, and that the distribution system be completed by December 31, 1996. All three golf courses are currently irrigating with on-site wells with combined estimated average daily usage of approximately 1 MGD. As a result, Sanlando's proposed reuse program, in addition to encouraging reduced water consumption by it's customers, would result in an immediate and significant reduction in water resource withdrawal from Florida's diminishing potable water supply.

At Sanlando's request, Conklin, Porter and Holmes Engineers, Inc. has updated and revised previous studies related to the reuse of

over 15,000 gallon per month range. This translates to approximately one billion gallons per year for irrigation and other outside uses. This disparity suggests that Sanlando's current gallonage charge of 35.5 cents per thousand gallons simply does not encourage water conservation. As a result, implementation of a conservation rate structure provides a method of increasing revenues which can be reserved to fund a water reclamation program without causing the Utility to take unnecessary risks and potentially deteriorate its capital structure. In addition, the impact on the average customer would be minimal.

In developing a rate structure that will not only encourage water conservation, but also provide funds with which to complete the water reuse capital program, the collection of water reuse rates is estimated to occur for the years ended December 31, 1994 through December 31, 1997. This will enable Sanlando to substantially comply with the requirements of its operating permit, and enable earlier adoption of its reuse program. Based on recent historical trends, realizing that Sanlando's service area is almost entirely built out, an annual growth rate of 1% per year was chosen as reasonable for purposes of projecting customers and the resultant number of bills for the years ended December 31, 1993 through December 31, 1997. Consumption patterns on the other hand have traditionally been projected based on historical averages as was the case during the last two rate proceedings. In that regard, the average historical consumption was determined by customer class and in blocks of 0 to 10,000 gallons, 10,000 to 20,000 gallons,

20,000 to 30,000 gallons, and over 30,000 gallons. These averages which are presumed to contemplate weather normalization were then applied to the number of bills as determined above resulting in normalized consumption. The results of these calculations are as shown on Exhibit I, attached hereto. A review of Exhibit I indicates that Sanlando's normalized consumption is expected to range from approximately 3.06 billion gallons in 1993 to approximately 3.18 billion gallons in 1997.

In connection with the adoption of inclining block rates, there is an expectation of a decrease in consumption as the price for water increases. For illustration purposes, estimated reduction in residential consumption caused by an increase in the gallonage charge above the current gallonage charge of 35.5 cents per thousand gallons is as indicated in the following chart:

| | <u>CHARGE PER</u> <u>1000 GALLONS</u> | <u>REDUCED</u> <u>CONSUMPTION</u> |
|------------------------------------|--|--------------------------------------|
| 10,000 to 20,000 gallons per month | \$.50 | 5% |
| 20,000 to 30,000 gallons per month | \$.65 | 10% |
| over 30,000 gallons per month | \$.85 | 20% |

These reductions are assumed only for the purpose of illustration. Subsequent to implementation of inclining block rates, real reduction in consumption will be monitored to determine the real impact on consumption. It should be noted that actual variations in consumption

patterns will merely have the effect of accelerating or lengthening the time requirement for collection of the funds necessary with which to complete the reuse project. Assuming the proposed rates are implemented on January 1, 1994, consumption might be impacted as shown on Exhibit II, attached hereto. A review of Exhibit II indicates that consumption might be expected to range from 2.80 billion gallons to 2.87 billion gallons. This represents an annual reduction in potable water withdrawal of approximately 300 million gallons. The total annual reduction in potable water withdrawal when considering the golf course usage could be in excess of a half billion gallons per year.

The annual effect on revenues was determined by applying Sanlando's existing rates to the projected data from Exhibit I, Sanlando's proposed rates to the projected data from Exhibit II, and comparing the two. The difference between the two represents the gross increase in revenues available for the water reuse capital expansion program and is more fully illustrated in Exhibit III, attached hereto. Given the assumptions used in this analysis, the gross and net increase in water revenues could be expected to flow as follows:

| | GROSS | REGULATORY | | NET |
|-------------|-----------------|---------------|----------------|-----------------|
| | REVENUE | ASSESSMENT | INCOME | REVENUE |
| <u>YEAR</u> | <u>INCREASE</u> | <u>FEE</u> | <u>TAXES</u> | <u>INCREASE</u> |
| 1994 | 534,806 | 24,066 | 197,223 | 313,517 |
| 1995 | 539,613 | 24,283 | 202,070 | 313,260 |
| 1996 | 544,464 | 24,501 | 200,425 | 319,538 |
| 1997 | <u>549,341</u> | <u>24,720</u> | <u>200,645</u> | <u>323,976</u> |
| | 2,168,224 | 97,570 | 800,363 | 1,270,291 |

It is contemplated that the excess revenues received would be deposited to an escrow fund and held solely for capital expenditures related to the water reuse program. This escrow fund would also provide the vehicle for tracking fund earnings, and payment of regulatory assessment fees and income taxes related to those excess revenues. Exhibit IV provides a four year summary of the escrow fund which contemplates fund earnings at 5% per year, payment of the regulatory assessment fee at 4.5% per year, and payment of income taxes at the current maximum rate of 37.63% per year. The block rates as shown on Exhibit III given the assumptions used in this analysis would generate funds sufficient with which to fully implement the first phase of the water reuse capital expansion program by December 31, 1997. Upon full implementation of Phase I of the water reuse program, a determination would be made regarding the disposition of the excess funds produced by the water conservation rates. Alternatives might

include a reduction in rates to a level consistent with the then current rate setting regulation, or continued collection based on water conservation rates for further expansion of the water reuse program.

For information purposes, Exhibit V represents a calculation of comparable monthly bills at differing levels of consumption demonstrating the monthly effect on various customers. Exhibit VI depicts a comparison of Sanlando's typical monthly bill at 15,000 gallons of consumption calculated using the proposed water conservation rates to various other utilities within the area. In addition, a copy of the FDER operating permit and a complete copy of the most recent analysis prepared by Conklin, Porter and Holmes Engineers, Inc. are enclosed.

Exhibit VII represents the proposed method of calculating and reporting the portion of the revenues collected that are being transferred to the escrow fund. This schedule contemplates a calculation of revenues as if the existing rates remained in effect whereas the base charge is determined by multiplying the actual number of bills rendered times the applicable base facility charge. Consumption is determined by multiplying the number of bills rendered by the applicable historical four average of consumption. The resultant consumption is multiplied by the applicable gallonage charge and then added to the base facility charge calculation above resulting in total water revenues as if existing rates remained in effect. These amounts are compared to actual revenues based on the reuse rates, the difference representing that portion of the revenues that will be

Page 3

transferred to the escrow fund. This calculation would be required monthly in order to determine the proper transfer to the escrow fund.

SANLANDO UTILITIES CORPORATION
 ASSUMING EXISTING RATES
 EXHIBIT I
 CUSTOMER GROWTH RATE:
 1.00% ANNUALLY

| | | HISTORICAL DATA | | | | | PROJECTED | PROJECTED | PROJECTED | PROJECTED | PROJECTED |
|----------------------|-------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------|
| | | ACTUAL | ACTUAL | ACTUAL | ACTUAL | FOUR YEAR | PROJECTED | PROJECTED | PROJECTED | PROJECTED | |
| | | NUMBER | NUMBER | NUMBER | NUMBER | AVERAGE | NUMBER | NUMBER | NUMBER | NUMBER | |
| | | OF BILLS/ CONSUMPTION | OF BILLS/ CONSUMPTION | OF BILLS/ CONSUMPTION | OF BILLS/ CONSUMPTION | CONSUMPTION | OF BILLS/ CONSUMPTION | OF BILLS/ CONSUMPTION | OF BILLS/ CONSUMPTION | OF BILLS/ CONSUMPTION | |
| | | 12/89 | 12/90 | 12/91 | 12/92 | PER BILL | 12/93 | 12/94 | 12/95 | 12/96 | |
| | | 12/89 | 12/90 | 12/91 | 12/92 | PER BILL | 12/93 | 12/94 | 12/95 | 12/96 | |
| WATER: | | | | | | | | | | | |
| RESIDENTIAL | 3/4" | 70,466 | 71,124 | 70,976 | 71,083 | | 71,794 | 72,512 | 73,237 | 73,969 | |
| | 1" | 32,816 | 33,767 | 34,110 | 34,512 | | 34,857 | 35,206 | 35,558 | 35,914 | |
| | 1 1/2" | 240 | 239 | 246 | 247 | | 249 | 251 | 251 | 254 | |
| | TOTALS | 103,522 | 105,130 | 105,332 | 105,842 | | 106,900 | 107,969 | 109,046 | 110,137 | |
| GALLONS BILLED (000) | 0-10000 | 887,528 | 902,149 | 881,013 | 885,371 | 8.471 | 905,550 | 914,605 | 923,729 | 932,971 | |
| | 10000-20000 | 552,231 | 563,822 | 490,318 | 497,677 | 5.814 | 535,997 | 541,357 | 546,757 | 552,227 | |
| | 20000-30000 | 351,127 | 365,566 | 288,548 | 304,391 | 3.121 | 333,635 | 336,971 | 340,333 | 343,738 | |
| | OVER 30000 | 751,224 | 736,462 | 513,474 | 550,640 | 6.085 | 650,487 | 656,991 | 663,545 | 670,184 | |
| | TOTALS | 2,542,110 | 2,567,999 | 2,173,353 | 2,238,079 | 22.691 | 2,425,669 | 2,449,924 | 2,474,364 | 2,499,120 | |
| GENERAL SERVICE | 3/4" | 1,233 | 1,197 | 1,152 | 1,272 | | 1,285 | 1,298 | 1,311 | 1,324 | |
| | 1" | 1,911 | 1,968 | 1,997 | 2,125 | | 2,146 | 2,167 | 2,189 | 2,211 | |
| | 1 1/2" | 536 | 554 | 599 | 622 | | 628 | 634 | 640 | 646 | |
| | 2" | 568 | 590 | 634 | 648 | | 654 | 661 | 668 | 675 | |
| | 3" | 45 | 49 | 49 | 51 | | 52 | 53 | 54 | 55 | |
| | 4" | 34 | 36 | 36 | 36 | | 36 | 36 | 36 | 36 | |
| | 6" | 24 | 25 | 24 | 24 | | 24 | 24 | 24 | 24 | |
| | TOTALS | 4,351 | 4,419 | 4,491 | 4,778 | | 4,825 | 4,873 | 4,922 | 4,971 | |
| GALLONS BILLED (000) | 0-10000 | 29,718 | 30,270 | 30,549 | 33,211 | 6.858 | 33,090 | 33,419 | 33,755 | 34,091 | |
| | 10000-20000 | 22,673 | 22,971 | 23,204 | 24,989 | 5.202 | 25,100 | 25,349 | 25,604 | 25,859 | |
| | 20000-30000 | 18,752 | 19,118 | 19,167 | 20,421 | 4.294 | 20,719 | 20,925 | 21,135 | 21,345 | |
| | OVER 30000 | 207,536 | 211,333 | 216,092 | 226,614 | 47.767 | 230,476 | 232,769 | 235,109 | 237,450 | |
| | TOTALS | 278,679 | 283,684 | 289,012 | 305,235 | 64.121 | 309,385 | 312,462 | 315,603 | 318,745 | |
| MULTI FAMILY | 3/4" | 228 | 230 | 228 | 228 | | 230 | 232 | 234 | 236 | |
| | 1" | 84 | 83 | 84 | 84 | | 85 | 86 | 87 | 88 | |
| | 1 1/2" | 812 | 812 | 814 | 817 | | 825 | 833 | 841 | 849 | |
| | 2" | 730 | 728 | 738 | 816 | | 824 | 832 | 840 | 848 | |
| | 3" | 168 | 180 | 180 | 180 | | 182 | 184 | 186 | 188 | |
| | 4" | 24 | 24 | 24 | 24 | | 24 | 24 | 24 | 24 | |
| | 6" | 12 | 12 | 12 | 12 | | 12 | 12 | 12 | 12 | |
| | TOTALS | 2,058 | 2,069 | 2,080 | 2,161 | | 2,182 | 2,203 | 2,224 | 2,245 | |
| GALLONS BILLED (000) | 0-10000 | 19,492 | 19,983 | 19,924 | 20,794 | 9.583 | 20,910 | 21,111 | 21,313 | 21,514 | |
| | 10000-20000 | 16,851 | 17,709 | 17,523 | 18,089 | 8.386 | 18,298 | 18,474 | 18,650 | 18,827 | |
| | 20000-30000 | 13,659 | 15,071 | 14,941 | 15,233 | 7.038 | 15,357 | 15,505 | 15,653 | 15,800 | |
| | OVER 30000 | 109,631 | 111,741 | 104,875 | 114,976 | 52.726 | 115,048 | 116,155 | 117,263 | 118,370 | |
| | TOTALS | 159,633 | 164,504 | 157,263 | 169,092 | 77.733 | 169,613 | 171,245 | 172,879 | 174,511 | |
| BULK SALES | 6" | 24 | 24 | 24 | 24 | | 24 | 24 | 24 | 24 | |
| | 8" | 0 | 0 | 3 | 12 | | 12 | 12 | 12 | 12 | |
| | TOTALS | 24 | 24 | 27 | 36 | | 36 | 36 | 36 | 36 | |
| GALLONS BILLED (000) | 0-10000 | 240 | 240 | 260 | 282 | 9.366 | 337 | 337 | 337 | 337 | |
| | 10000-20000 | 240 | 240 | 247 | 250 | 9.023 | 325 | 325 | 325 | 325 | |
| | 20000-30000 | 240 | 240 | 240 | 240 | 8.889 | 320 | 320 | 320 | 320 | |
| | OVER 30000 | 120,205 | 133,130 | 113,200 | 104,945 | 4,415.839 | 158,970 | 158,970 | 158,970 | 158,970 | |
| | TOTALS | 120,925 | 133,850 | 113,947 | 105,717 | 4,443.117 | 159,952 | 159,952 | 159,952 | 159,952 | |
| TOTAL CONSUMPTION | | 3,101,347 | 3,150,037 | 2,733,575 | 2,818,123 | | 3,064,619 | 3,093,583 | 3,122,798 | 3,152,328 | |
| TOTAL BILLS | | 109,955 | 111,642 | 111,930 | 112,817 | | 113,943 | 115,081 | 116,228 | 117,389 | |

CALCULATION OF PROJECTED BILLS & CONSUMPTION USING WATER CONSERVATION RATES
 SANLANDO UTILITIES CORPORATION
 EXHIBIT II

| CUSTOMER GROWTH RATE: | 1.00% | PROJECTED NUMBER OF BILLS/ CONSUMPTION 12/93 | PROJECTED NUMBER OF BILLS/ CONSUMPTION 12/94 | PROJECTED NUMBER OF BILLS/ CONSUMPTION 12/95 | PROJECTED NUMBER OF BILLS/ CONSUMPTION 12/96 | PROJECTED NUMBER OF BILLS/ CONSUMPTION 12/97 |
|-----------------------------|-------------|--|--|--|--|--|
| EST. CONSUMPTION REDUCTION: | | | | | | |
| 10,000 TO 20,000 GALLONS- | 5.00% | | | | | |
| 20,000 TO 30,000 GALLONS- | 10.00% | | | | | |
| OVER 30,000 GALLONS- | 20.00% | | | | | |
| WATER: | | | | | | |
| RESIDENTIAL | 3/4" | 71,794 | 72,512 | 73,237 | 73,969 | 74,709 |
| | 1" | 34,857 | 35,206 | 35,558 | 35,914 | 36,273 |
| | 1 1/2" | 249 | 251 | 251 | 254 | 254 |
| | TOTALS | 106,900 | 107,969 | 109,046 | 110,137 | 111,236 |
| BLOCK CONSUMPTION (000) | 0-10000 | 905,550 | 914,605 | 923,729 | 932,971 | 942,280 |
| | 10000-20000 | 535,997 | 514,289 | 519,419 | 524,616 | 529,850 |
| | 20000-30000 | 333,635 | 303,274 | 306,300 | 309,364 | 312,451 |
| | OVER 30000 | 650,487 | 525,593 | 530,836 | 536,147 | 541,497 |
| | TOTALS | 2,425,669 | 2,257,761 | 2,280,284 | 2,303,098 | 2,326,078 |
| GENERAL SERVICE | 3/4" | 1,285 | 1,298 | 1,311 | 1,324 | 1,337 |
| | 1" | 2,146 | 2,167 | 2,189 | 2,211 | 2,233 |
| | 1 1/2" | 628 | 634 | 640 | 646 | 652 |
| | 2" | 654 | 661 | 668 | 675 | 682 |
| | 3" | 52 | 53 | 54 | 55 | 56 |
| | 4" | 36 | 36 | 36 | 36 | 36 |
| | 6" | 24 | 24 | 24 | 24 | 24 |
| | TOTALS | 4,825 | 4,873 | 4,922 | 4,971 | 5,020 |
| BLOCK CONSUMPTION (000) | 0-10000 | 33,090 | 33,419 | 33,755 | 34,091 | 34,427 |
| | 10000-20000 | 25,100 | 24,082 | 24,324 | 24,566 | 24,808 |
| | 20000-30000 | 20,719 | 18,833 | 19,022 | 19,211 | 19,400 |
| | OVER 30000 | 230,476 | 186,215 | 188,087 | 189,960 | 191,832 |
| | TOTALS | 309,385 | 262,549 | 265,188 | 267,828 | 270,467 |
| MULTI FAMILY | 3/4" | 230 | 232 | 234 | 236 | 238 |
| | 1" | 85 | 86 | 87 | 88 | 89 |
| | 1 1/2" | 825 | 833 | 841 | 849 | 857 |
| | 2" | 824 | 832 | 840 | 848 | 856 |
| | 3" | 182 | 184 | 186 | 188 | 190 |
| | 4" | 24 | 24 | 24 | 24 | 24 |
| | 6" | 12 | 12 | 12 | 12 | 12 |
| | TOTALS | 2,182 | 2,203 | 2,224 | 2,245 | 2,266 |
| BLOCK CONSUMPTION (000) | 0-10000 | 20,910 | 21,111 | 21,313 | 21,514 | 21,715 |
| | 10000-20000 | 18,298 | 17,550 | 17,718 | 17,886 | 18,053 |
| | 20000-30000 | 15,357 | 13,955 | 14,088 | 14,220 | 14,353 |
| | OVER 30000 | 115,048 | 92,924 | 93,810 | 94,696 | 95,582 |
| | TOTALS | 169,613 | 145,540 | 146,929 | 148,316 | 149,703 |
| BULK SALES | 6" | 24 | 24 | 24 | 24 | 24 |
| | 8" | 12 | 12 | 12 | 12 | 12 |
| | TOTALS | 36 | 36 | 36 | 36 | 36 |
| BLOCK CONSUMPTION (000) | 0-10000 | 337 | 337 | 337 | 337 | 337 |
| | 10000-20000 | 325 | 309 | 309 | 309 | 309 |
| | 20000-30000 | 320 | 288 | 288 | 288 | 288 |
| | OVER 30000 | 158,970 | 127,176 | 127,176 | 127,176 | 127,176 |
| | TOTALS | 159,952 | 128,110 | 128,110 | 128,110 | 128,110 |
| TOTAL CONSUMPTION | | 3,064,619 | 2,793,960 | 2,820,511 | 2,847,352 | 2,874,358 |
| TOTAL BILLS | | 113,943 | 115,081 | 116,228 | 117,389 | 118,558 |

COMPARISON OF WATER REVENUES
 SANLANDO UTILITIES CORPORATION
 PROJECTED FOR THE YEAR ENDED 12/31/94
 WATER CONSERVATION RATE STRUCTURE
 EXHIBIT III

PAGE 1

| | | SANLANDO CURRENT RATES | SANLANDO PROPOSED RATES | PROJECTED NUMBER OF BILLS AND CONSUMPTION AT CURRENT RATES 1994 | PROJECTED NUMBER OF BILLS AND CONSUMPTION AT PROPOSED RATES 1994 | PROJECTED REVENUE AT CURRENT RATES 1994 | PROJECTED REVENUE AT PROPOSED RATES 1994 | GROSS AMOUNT SUBJECT TO ESCROW FUND |
|-----------------------|-------------|------------------------------|-------------------------------|---|--|---|--|---|
| WATER: | | | | | | | | |
| RESIDENTIAL | 3/4" | 4.03 | 4.03 | 72,512 | 72,512 | 292,223 | 292,223 | 0 |
| | 1" | 10.09 | 10.09 | 35,206 | 35,206 | 355,229 | 355,229 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 251 | 251 | 5,065 | 5,065 | 0 |
| | TOTALS | | | 107,969 | 107,969 | 652,517 | 652,517 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 914,605 | 914,605 | 324,685 | 324,685 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 541,357 | 514,289 | 192,182 | 257,145 | 64,963 |
| | 20000-30000 | 0.355 | 0.65 | 336,971 | 303,274 | 119,625 | 197,128 | 77,503 |
| | OVER 30000 | 0.355 | 0.85 | 656,991 | 525,593 | 233,232 | 446,754 | 213,522 |
| | TOTALS | | | 2,449,924 | 2,257,761 | 869,724 | 1,225,712 | 355,988 |
| GENERAL SERVICE | 3/4" | 4.03 | 4.03 | 1,298 | 1,298 | 5,231 | 5,231 | 0 |
| | 1" | 10.09 | 10.09 | 2,167 | 2,167 | 21,865 | 21,865 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 634 | 634 | 12,794 | 12,794 | 0 |
| | 2" | 32.29 | 32.29 | 661 | 661 | 21,344 | 21,344 | 0 |
| | 3" | 64.57 | 64.57 | 53 | 53 | 3,422 | 3,422 | 0 |
| | 4" | 100.91 | 100.91 | 36 | 36 | 3,633 | 3,633 | 0 |
| | 6" | 201.81 | 201.81 | 24 | 24 | 4,843 | 4,843 | 0 |
| | TOTALS | | | 4,873 | 4,873 | 73,132 | 73,132 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 33,419 | 33,419 | 11,864 | 11,864 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 25,349 | 24,082 | 8,999 | 12,041 | 3,042 |
| | 20000-30000 | 0.355 | 0.65 | 20,925 | 18,833 | 7,428 | 12,241 | 4,813 |
| | OVER 30000 | 0.355 | 0.85 | 232,769 | 186,215 | 82,633 | 158,283 | 75,650 |
| | TOTALS | | | 312,462 | 262,549 | 110,924 | 194,429 | 83,505 |
| MULTI FAMILY | 3/4" | 4.03 | 4.03 | 232 | 232 | 935 | 935 | 0 |
| | 1" | 10.09 | 10.09 | 86 | 86 | 868 | 868 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 833 | 833 | 16,810 | 16,810 | 0 |
| | 2" | 32.29 | 32.29 | 832 | 832 | 26,865 | 26,865 | 0 |
| | 3" | 64.57 | 64.57 | 184 | 184 | 11,881 | 11,881 | 0 |
| | 4" | 100.91 | 100.91 | 24 | 24 | 2,422 | 2,422 | 0 |
| | 6" | 201.81 | 201.81 | 12 | 12 | 2,422 | 2,422 | 0 |
| | TOTALS | | | 2,203 | 2,203 | 62,203 | 62,203 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 21,111 | 21,111 | 7,494 | 7,494 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 18,474 | 17,550 | 6,558 | 8,775 | 2,217 |
| | 20000-30000 | 0.355 | 0.65 | 15,505 | 13,955 | 5,504 | 9,071 | 3,567 |
| | OVER 30000 | 0.355 | 0.85 | 116,155 | 92,924 | 41,235 | 78,985 | 37,750 |
| | TOTALS | | | 171,245 | 145,540 | 60,791 | 104,325 | 43,534 |
| BULK SALES | 6" | 201.81 | 201.81 | 24 | 24 | 4,843 | 4,843 | 0 |
| | 8" | 362.83 | 362.83 | 12 | 12 | 4,354 | 4,354 | 0 |
| | TOTALS | | | 36 | 36 | 9,197 | 9,197 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 337 | 337 | 120 | 120 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 325 | 309 | 115 | 155 | 40 |
| | 20000-30000 | 0.355 | 0.65 | 320 | 288 | 114 | 187 | 73 |
| | OVER 30000 | 0.355 | 0.85 | 158,970 | 127,176 | 56,434 | 108,100 | 51,666 |
| | TOTALS | | | 159,952 | 128,110 | 56,783 | 108,562 | 51,779 |
| GRAND TOTALS | | | | | | 1,895,271 | 2,430,077 | 534,806 |

SANLANDO UTILITIES CORPORATION
 PROJECTED FOR THE YEAR ENDED 12/31/95
 WATER CONSERVATION RATE STRUCTURE
 EXHIBIT III

PAGE 2

| | | SANLANDO CURRENT RATES | SANLANDO PROPOSED RATES | PROJECTED NUMBER OF BILLS AND CONSUMPTION AT CURRENT RATES 1995 | PROJECTED NUMBER OF BILLS AND CONSUMPTION AT PROPOSED RATES 1995 | PROJECTED REVENUE AT CURRENT RATES 1995 | PROJECTED REVENUE AT PROPOSED RATES 1995 | GROSS AMOUNT SUBJECT TO ESCROW FUND |
|-----------------------|-------------|------------------------------|-------------------------------|---|--|---|--|---|
| WATER: | | | | | | | | |
| RESIDENTIAL | 3/4" | 4.03 | 4.03 | 73,237 | 73,237 | 295,145 | 295,145 | 0 |
| | 1" | 10.09 | 10.09 | 35,558 | 35,558 | 358,780 | 358,780 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 251 | 251 | 5,065 | 5,065 | 0 |
| | TOTALS | | | 109,046 | 109,046 | 658,990 | 658,990 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 923,729 | 923,729 | 327,924 | 327,924 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 546,757 | 519,419 | 194,099 | 259,710 | 65,611 |
| | 20000-30000 | 0.355 | 0.65 | 340,333 | 306,300 | 120,818 | 199,095 | 78,277 |
| | OVER 30000 | 0.355 | 0.85 | 663,545 | 530,836 | 235,558 | 451,211 | 215,653 |
| | TOTALS | | | 2,474,364 | 2,280,284 | 878,399 | 1,237,940 | 359,541 |
| GENERAL SERVICE | 3/4" | 4.03 | 4.03 | 1,311 | 1,311 | 5,283 | 5,283 | 0 |
| | 1" | 10.09 | 10.09 | 2,189 | 2,189 | 22,087 | 22,087 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 640 | 640 | 12,915 | 12,915 | 0 |
| | 2" | 32.29 | 32.29 | 668 | 668 | 21,570 | 21,570 | 0 |
| | 3" | 64.57 | 64.57 | 54 | 54 | 3,487 | 3,487 | 0 |
| | 4" | 100.91 | 100.91 | 36 | 36 | 3,633 | 3,633 | 0 |
| | 6" | 201.81 | 201.81 | 24 | 24 | 4,843 | 4,843 | 0 |
| | TOTALS | | | 4,922 | 4,922 | 73,818 | 73,818 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 33,755 | 33,755 | 11,983 | 11,983 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 25,604 | 24,324 | 9,089 | 12,162 | 3,073 |
| | 20000-30000 | 0.355 | 0.65 | 21,135 | 19,022 | 7,503 | 12,364 | 4,861 |
| | OVER 30000 | 0.355 | 0.85 | 235,109 | 188,087 | 83,464 | 159,874 | 76,410 |
| | TOTALS | | | 315,603 | 265,188 | 112,039 | 196,383 | 84,344 |
| MULTI FAMILY | 3/4" | 4.03 | 4.03 | 234 | 234 | 943 | 943 | 0 |
| | 1" | 10.09 | 10.09 | 87 | 87 | 878 | 878 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 841 | 841 | 16,971 | 16,971 | 0 |
| | 2" | 32.29 | 32.29 | 840 | 840 | 27,124 | 27,124 | 0 |
| | 3" | 64.57 | 64.57 | 186 | 186 | 12,010 | 12,010 | 0 |
| | 4" | 100.91 | 100.91 | 24 | 24 | 2,422 | 2,422 | 0 |
| | 6" | 201.81 | 201.81 | 12 | 12 | 2,422 | 2,422 | 0 |
| | TOTALS | | | 2,224 | 2,224 | 62,770 | 62,770 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 21,313 | 21,313 | 7,566 | 7,566 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 18,650 | 17,718 | 6,621 | 8,859 | 2,238 |
| | 20000-30000 | 0.355 | 0.65 | 15,653 | 14,088 | 5,557 | 9,157 | 3,600 |
| | OVER 30000 | 0.355 | 0.85 | 117,263 | 93,810 | 41,628 | 79,739 | 38,111 |
| | TOTALS | | | 172,879 | 146,929 | 61,372 | 105,321 | 43,949 |
| BULK SALES | 6" | 201.81 | 201.81 | 24 | 24 | 4,843 | 4,843 | 0 |
| | 8" | 362.83 | 362.83 | 12 | 12 | 4,354 | 4,354 | 0 |
| | TOTALS | | | 36 | 36 | 9,197 | 9,197 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 337 | 337 | 120 | 120 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 325 | 309 | 115 | 155 | 40 |
| | 20000-30000 | 0.355 | 0.65 | 320 | 288 | 114 | 187 | 73 |
| | OVER 30000 | 0.355 | 0.85 | 158,970 | 127,176 | 56,434 | 108,100 | 51,666 |
| | TOTALS | | | 159,952 | 128,110 | 56,783 | 108,562 | 51,779 |
| GRAND TOTALS | | | | | | 1,913,368 | 2,452,981 | 539,613 |

SANLANDO UTILITIES CORPORATION
 PROJECTED FOR THE YEAR ENDED 12/31/96
 WATER CONSERVATION RATE STRUCTURE
 EXHIBIT III

PAGE 3

| | | SANLANDO CURRENT RATES | SANLANDO PROPOSED RATES | PROJECTED NUMBER OF BILLS AND CONSUMPTION AT CURRENT RATES 1996 | PROJECTED NUMBER OF BILLS AND CONSUMPTION AT PROPOSED RATES 1996 | PROJECTED REVENUE AT CURRENT RATES 1996 | PROJECTED REVENUE AT PROPOSED RATES 1996 | GROSS AMOUNT SUBJECT TO ESCROW FUND |
|-----------------------|-------------|------------------------------|-------------------------------|---|--|---|--|---|
| WATER: | | | | | | | | |
| RESIDENTIAL | 3/4" | 4.03 | 4.03 | 73,969 | 73,969 | 298,095 | 298,095 | 0 |
| | 1" | 10.09 | 10.09 | 35,914 | 35,914 | 362,372 | 362,372 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 254 | 254 | 5,126 | 5,126 | 0 |
| | TOTALS | | | 110,137 | 110,137 | 665,593 | 665,593 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 932,971 | 932,971 | 331,205 | 331,205 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 552,227 | 524,616 | 196,041 | 262,308 | 66,267 |
| | 20000-30000 | 0.355 | 0.65 | 343,738 | 309,364 | 122,027 | 201,087 | 79,060 |
| | OVER 30000 | 0.355 | 0.85 | 670,184 | 536,147 | 237,915 | 455,725 | 217,810 |
| | TOTALS | | | 2,499,120 | 2,303,098 | 887,188 | 1,250,325 | 363,137 |
| GENERAL SERVICE | 3/4" | 4.03 | 4.03 | 1,324 | 1,324 | 5,336 | 5,336 | 0 |
| | 1" | 10.09 | 10.09 | 2,211 | 2,211 | 22,309 | 22,309 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 646 | 646 | 13,036 | 13,036 | 0 |
| | 2" | 32.29 | 32.29 | 675 | 675 | 21,796 | 21,796 | 0 |
| | 3" | 64.57 | 64.57 | 55 | 55 | 3,551 | 3,551 | 0 |
| | 4" | 100.91 | 100.91 | 36 | 36 | 3,633 | 3,633 | 0 |
| | 6" | 201.81 | 201.81 | 24 | 24 | 4,843 | 4,843 | 0 |
| | TOTALS | | | 4,971 | 4,971 | 74,504 | 74,504 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 34,091 | 34,091 | 12,102 | 12,102 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 25,859 | 24,566 | 9,180 | 12,283 | 3,103 |
| | 20000-30000 | 0.355 | 0.65 | 21,345 | 19,211 | 7,577 | 12,487 | 4,910 |
| | OVER 30000 | 0.355 | 0.85 | 237,450 | 189,960 | 84,295 | 161,466 | 77,171 |
| | TOTALS | | | 318,745 | 267,828 | 113,154 | 198,338 | 85,184 |
| MULTI FAMILY | 3/4" | 4.03 | 4.03 | 236 | 236 | 951 | 951 | 0 |
| | 1" | 10.09 | 10.09 | 88 | 88 | 888 | 888 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 849 | 849 | 17,133 | 17,133 | 0 |
| | 2" | 32.29 | 32.29 | 848 | 848 | 27,382 | 27,382 | 0 |
| | 3" | 64.57 | 64.57 | 188 | 188 | 12,139 | 12,139 | 0 |
| | 4" | 100.91 | 100.91 | 24 | 24 | 2,422 | 2,422 | 0 |
| | 6" | 201.81 | 201.81 | 12 | 12 | 2,422 | 2,422 | 0 |
| | TOTALS | | | 2,245 | 2,245 | 63,337 | 63,337 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 21,514 | 21,514 | 7,637 | 7,637 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 18,827 | 17,886 | 6,684 | 8,943 | 2,259 |
| | 20000-30000 | 0.355 | 0.65 | 15,800 | 14,220 | 5,609 | 9,243 | 3,634 |
| | OVER 30000 | 0.355 | 0.85 | 118,370 | 94,696 | 42,021 | 80,492 | 38,471 |
| | TOTALS | | | 174,511 | 148,316 | 61,951 | 106,315 | 44,364 |
| BULK SALES | 6" | 201.81 | 201.81 | 24 | 24 | 4,843 | 4,843 | 0 |
| | 8" | 362.83 | 362.83 | 12 | 12 | 4,354 | 4,354 | 0 |
| | TOTALS | | | 36 | 36 | 9,197 | 9,197 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 337 | 337 | 120 | 120 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 325 | 309 | 115 | 155 | 40 |
| | 20000-30000 | 0.355 | 0.65 | 320 | 288 | 114 | 187 | 73 |
| | OVER 30000 | 0.355 | 0.85 | 158,970 | 127,176 | 56,434 | 108,100 | 51,666 |
| | TOTALS | | | 159,952 | 128,110 | 56,783 | 108,562 | 51,779 |
| GRAND TOTALS | | | | | | 1,931,707 | 2,476,171 | 544,464 |

SANLANDO UTILITIES CORPORATION
 PROJECTED FOR THE YEAR ENDED 12/31/97
 WATER CONSERVATION RATE STRUCTURE
 EXHIBIT III

PAGE 4

| | | SANLANDO CURRENT RATES | SANLANDO PROPOSED RATES | PROJECTED NUMBER OF BILLS AND CONSUMPTION AT CURRENT RATES 1997 | PROJECTED NUMBER OF BILLS AND CONSUMPTION AT PROPOSED RATES 1997 | PROJECTED REVENUE AT CURRENT RATES 1997 | PROJECTED REVENUE AT PROPOSED RATES 1997 | GROSS AMOUNT SUBJECT TO ESCROW FUND |
|-----------------------|-------------|------------------------------|-------------------------------|---|--|---|--|---|
| WATER: | | | | | | | | |
| RESIDENTIAL | 3/4" | 4.03 | 4.03 | 74,709 | 74,709 | 301,077 | 301,077 | 0 |
| | 1" | 10.09 | 10.09 | 36,273 | 36,273 | 365,995 | 365,995 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 254 | 254 | 5,126 | 5,126 | 0 |
| | TOTALS | | | 111,236 | 111,236 | 672,198 | 672,198 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 942,280 | 942,280 | 334,509 | 334,509 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 557,737 | 529,850 | 197,997 | 264,925 | 66,928 |
| | 20000-30000 | 0.355 | 0.65 | 347,168 | 312,451 | 123,245 | 203,093 | 79,848 |
| | OVER 30000 | 0.355 | 0.85 | 676,871 | 541,497 | 240,289 | 460,272 | 219,983 |
| | TOTALS | | | 2,524,056 | 2,326,078 | 896,040 | 1,262,799 | 366,759 |
| GENERAL SERVICE | 3/4" | 4.03 | 4.03 | 1,337 | 1,337 | 5,388 | 5,388 | 0 |
| | 1" | 10.09 | 10.09 | 2,233 | 2,233 | 22,531 | 22,531 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 652 | 652 | 13,157 | 13,157 | 0 |
| | 2" | 32.29 | 32.29 | 682 | 682 | 22,022 | 22,022 | 0 |
| | 3" | 64.57 | 64.57 | 56 | 56 | 3,616 | 3,616 | 0 |
| | 4" | 100.91 | 100.91 | 36 | 36 | 3,633 | 3,633 | 0 |
| | 6" | 201.81 | 201.81 | 24 | 24 | 4,843 | 4,843 | 0 |
| | TOTALS | | | 5,020 | 5,020 | 75,190 | 75,190 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 34,427 | 34,427 | 12,222 | 12,222 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 26,114 | 24,808 | 9,270 | 12,404 | 3,134 |
| | 20000-30000 | 0.355 | 0.65 | 21,556 | 19,400 | 7,652 | 12,610 | 4,958 |
| | OVER 30000 | 0.355 | 0.85 | 239,790 | 191,832 | 85,125 | 163,057 | 77,932 |
| | TOTALS | | | 321,887 | 270,467 | 114,269 | 200,293 | 86,024 |
| MULTI FAMILY | 3/4" | 4.03 | 4.03 | 238 | 238 | 959 | 959 | 0 |
| | 1" | 10.09 | 10.09 | 89 | 89 | 898 | 898 | 0 |
| | 1 1/2" | 20.18 | 20.18 | 857 | 857 | 17,294 | 17,294 | 0 |
| | 2" | 32.29 | 32.29 | 856 | 856 | 27,640 | 27,640 | 0 |
| | 3" | 64.57 | 64.57 | 190 | 190 | 12,268 | 12,268 | 0 |
| | 4" | 100.91 | 100.91 | 24 | 24 | 2,422 | 2,422 | 0 |
| | 6" | 201.81 | 201.81 | 12 | 12 | 2,422 | 2,422 | 0 |
| | TOTALS | | | 2,266 | 2,266 | 63,903 | 63,903 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 21,715 | 21,715 | 7,709 | 7,709 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 19,003 | 18,053 | 6,746 | 9,027 | 2,281 |
| | 20000-30000 | 0.355 | 0.65 | 15,948 | 14,353 | 5,662 | 9,329 | 3,667 |
| | OVER 30000 | 0.355 | 0.85 | 119,477 | 95,582 | 42,414 | 81,245 | 38,831 |
| | TOTALS | | | 176,143 | 149,703 | 62,531 | 107,310 | 44,779 |
| BULK SALES | 6" | 201.81 | 201.81 | 24 | 24 | 4,843 | 4,843 | 0 |
| | 8" | 362.83 | 362.83 | 12 | 12 | 4,354 | 4,354 | 0 |
| | TOTALS | | | 36 | 36 | 9,197 | 9,197 | 0 |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 337 | 337 | 120 | 120 | 0 |
| | 10000-20000 | 0.355 | 0.50 | 325 | 309 | 115 | 155 | 40 |
| | 20000-30000 | 0.355 | 0.65 | 320 | 288 | 114 | 187 | 73 |
| | OVER 30000 | 0.355 | 0.85 | 158,970 | 127,176 | 56,434 | 108,100 | 51,666 |
| | TOTALS | | | 159,952 | 128,110 | 56,783 | 108,562 | 51,779 |
| GRAND TOTALS | | | | | | 1,950,111 | 2,499,452 | 549,341 |

ANALYSIS OF ESCROW FUND
 SANLANDO UTILITIES CORPORATION
 EXHIBIT IV

ESTIMATED EARNINGS RATE: 5.00%
 REGULATORY ASSESSMENT FEE: 4.50%
 ESTIMATED INCOME TAX RATE: 37.63%

| | DEPOSIT | PROGRESS EXPENDITURES | EARNINGS | REGULATORY ASSESSMENT FEE | INCOME TAXES | END OF PERIOD BALANCE |
|------|-----------|--------------------------|----------|---------------------------------|-----------------|-----------------------------|
| 1994 | 534,806 | 0 | 13,370 | 24,066 | 197,223 | 326,887 |
| 1995 | 539,613 | 400,000 | 11,663 | 24,283 | 198,307 | 255,573 |
| 1996 | 544,464 | 400,000 | 10,001 | 24,501 | 199,425 | 186,112 |
| 1997 | 549,341 | 400,000 | 8,386 | 24,720 | 200,571 | 118,548 |
| | 2,168,224 | 1,200,000 | 43,420 | 97,570 | 795,526 | |

CALCULATION OF COMPARABLE MONTHLY BILL
 SANLANDO UTILITIES CORPORATION
 METER SIZE-3/4"
 EXHIBIT V

| | | MONTHLY BILL AT SANLANDO CURRENT RATES | MONTHLY BILL AT SANLANDO PROPOSED RATES | MONTHLY INCREASE |
|-------------------|-----------|--|---|---------------------|
| RESIDENTIAL-- | | | | |
| CONSUMPTION- | 10,000 | 7.58 | 7.58 | 0.00 |
| CONSUMPTION- | 20,000 | 11.13 | 12.58 | 1.45 |
| CONSUMPTION- | 30,000 | 14.68 | 19.08 | 4.40 |
| CONSUMPTION- | 40,000 | 18.23 | 27.58 | 9.35 |
| CONSUMPTION- | 50,000 | 21.78 | 36.08 | 14.30 |
| AVERAGE- | 22,691 | 12.09 | 14.33 | 2.24 |
| GENERAL SERVICE-- | | | | |
| CONSUMPTION- | 10,000 | 7.58 | 7.58 | 0.00 |
| CONSUMPTION- | 20,000 | 11.13 | 12.58 | 1.45 |
| CONSUMPTION- | 30,000 | 14.68 | 19.08 | 4.40 |
| CONSUMPTION- | 40,000 | 18.23 | 27.58 | 9.35 |
| CONSUMPTION- | 50,000 | 21.78 | 36.08 | 14.30 |
| AVERAGE- | 64,121 | 26.79 | 48.08 | 21.29 |
| MULTI FAMILY-- | | | | |
| CONSUMPTION- | 10,000 | 7.58 | 7.58 | 0.00 |
| CONSUMPTION- | 20,000 | 11.13 | 12.58 | 1.45 |
| CONSUMPTION- | 30,000 | 14.68 | 19.08 | 4.40 |
| CONSUMPTION- | 40,000 | 18.23 | 27.58 | 9.35 |
| CONSUMPTION- | 50,000 | 21.78 | 36.08 | 14.30 |
| AVERAGE- | 77,733 | 31.63 | 59.65 | 28.02 |
| BULK SALE:6"-- | | | | |
| AVERAGE- | 4,443,117 | 1779.12 | 3968.01 | 2188.89 |

NOTE: AN ANALYSIS OF THE BULK SALE ARRANGEMENTS INDICATED THAT THERE ARE APPROXIMATELY 690 BILLING UNITS CONVERTING TO AN AVERAGE USAGE OF 17,000 GALLONS PER MONTH PER BILLING UNIT.

COMPARISON OF CHARGES FOR MONTHLY UTILITY SERVICES
SANLANDO UTILITIES CORPORATION
USAGE OF 15000 GALLONS
EXHIBIT VI

COMBINED RESIDENTIAL WATER & SEWER FEE

| | |
|--|--------------|
| CITY OF CLERMONT | \$ 29.85 |
| DELTONA UTILITIES, INC. | 30.73 |
| CITY OF LAKE LAND | 31.10 |
| SANLANDO UTILITIES CORPORATION (PROPOSED) | 32.38 |
| CITY OF WINTER GARDEN | 32.72 |
| CITY OF APOPKA | 37.00 |
| CITY OF MAITLAND | 43.65 |
| CITY OF WINTER PARK | 44.90 |
| POINCIANA, INC. | 44.55 |
| CITY OF ORLANDO | 46.79 |
| CITY OF CASSELBERRY | 49.55 |
| CITY OF WINTER SPRINGS | 49.78 |
| CITY OF OCOEE | 51.01 |
| CITY OF LONGWOOD | 51.78 |
| SEMINOLE COUNTY | 53.00 |
| CITY OF ALTAMONTE SPRINGS | 53.31 |
| CITY OF COCOA | 54.79 |
| SOUTHERN STATES (UNIV. SHORES) | 55.88 |
| CITY OF LAKE MARY | 58.56 |
| DEBARY ASSOCIATES, INC. | 60.03 |
| CITY OF KISSIMMEE | 62.56 |
| CITY OF ST. CLOUD | 65.25 |
| CITY OF MELBOURNE | 69.62 |
| BREVARD COUNTY | 69.95 |
| REEDY CREEK IMPROVEMENT DISTRICT | 75.04 |
| ORANGE COUNTY | 77.90 |
| SOUTHERN STATES (SEMINOLE COUNTY) | 82.73 |
| ENTERPRISE UTILITIES CORPORATION | 85.14 |
| SOUTHERN STATES (SUGAR MILL) | 89.80 |
| CITY OF PALM BAY | 108.10 |

COMBINED AVERAGE UTILITY \$ 58.58

CALCULATION OF ESCROW FUND DEPOSIT
 SANLANDO UTILITIES CORPORATION
 FOR THE MONTH ENDED

EXHIBIT VII

| | | SANLANDO APPROVED RATES | SANLANDO CONSERVATION RATES | PROJECTED CONSUMPTION PER BILL | ACTUAL NUMBER OF BILLS AND PROJECTED CONSUMPTION FOR THE MONTH ENDED | PROJECTED REVENUE AT APPROVED RATES FOR THE MONTH ENDED | ACTUAL REVENUE AT CONSERVATION RATES FOR THE MONTH ENDED | GROSS AMOUNT TO BE TRANSFERRED TO ESCROW FUND |
|-----------------------|-------------|-------------------------------|-----------------------------------|--------------------------------------|--|--|---|---|
| WATER: | | | | | | | | |
| RESIDENTIAL | 3/4" | 4.03 | 4.03 | | | | | |
| | 1" | 10.09 | 10.09 | | | | | |
| | 1 1/2" | 20.18 | 20.18 | | | | | |
| | TOTALS | | | | | | | |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 8.471 | | | | |
| | 10000-20000 | 0.355 | 0.50 | 5.014 | | | | |
| | 20000-30000 | 0.355 | 0.65 | 3.121 | | | | |
| | OVER 30000 | 0.355 | 0.85 | 6.085 | | | | |
| | TOTALS | | | 22.691 | | | | |
| GENERAL SERVICE | 3/4" | 4.03 | 4.03 | | | | | |
| | 1" | 10.09 | 10.09 | | | | | |
| | 1 1/2" | 20.18 | 20.18 | | | | | |
| | 2" | 32.29 | 32.29 | | | | | |
| | 3" | 64.57 | 64.57 | | | | | |
| | 4" | 100.91 | 100.91 | | | | | |
| | 6" | 201.81 | 201.81 | | | | | |
| | TOTALS | | | | | | | |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 6.858 | | | | |
| | 10000-20000 | 0.355 | 0.50 | 5.202 | | | | |
| | 20000-30000 | 0.355 | 0.65 | 4.294 | | | | |
| | OVER 30000 | 0.355 | 0.85 | 47.767 | | | | |
| | TOTALS | | | 64.121 | | | | |
| MULTI FAMILY | 3/4" | 4.03 | 4.03 | | | | | |
| | 1" | 10.09 | 10.09 | | | | | |
| | 1 1/2" | 20.18 | 20.18 | | | | | |
| | 2" | 32.29 | 32.29 | | | | | |
| | 3" | 64.57 | 64.57 | | | | | |
| | 4" | 100.91 | 100.91 | | | | | |
| | 6" | 201.81 | 201.81 | | | | | |
| | TOTALS | | | | | | | |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 9.583 | | | | |
| | 10000-20000 | 0.355 | 0.50 | 8.386 | | | | |
| | 20000-30000 | 0.355 | 0.65 | 7.038 | | | | |
| | OVER 30000 | 0.355 | 0.85 | 52.726 | | | | |
| | TOTALS | | | 77.733 | | | | |
| BULK SALES | 6" | 201.81 | 201.81 | | | | | |
| | 8" | 362.83 | 362.83 | | | | | |
| | TOTALS | | | | | | | |
| USAGE CHARGE PER 1000 | 0-10000 | 0.355 | 0.355 | 9.366 | | | | |
| | 10000-20000 | 0.355 | 0.50 | 9.023 | | | | |
| | 20000-30000 | 0.355 | 0.65 | 8.889 | | | | |
| | OVER 30000 | 0.355 | 0.85 | 4415.839 | | | | |
| | TOTALS | | | 4443.117 | | | | |

GRAND TOTALS