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DIVISION OF WATER &
WASTEWATER
CHARLES HILL
DIRECTOR
(904) 413-6900

Public Service Commission

June 12, 1996

Mr. Richard D. Melson
Hopping, Green, Sams & Smith
123 South Calhoun Street
Tallahassee, Florida 32314

Re: Docket No. 960444-WU, Application For Increased Water Rates and For A Change In Service Availability Charges by Lake Utility Services, Inc. in Lake County

Dear Mr. Melson:

We have reviewed the company's application including the minimum filing requirements submitted on June 3, 1996, on behalf of the above mentioned utility. After reviewing this information, we find the minimum filing requirements to be deficient. The specifics are identified below.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- CPC _____
- RCH _____
- SEC /
- WAS _____
- OTH _____

1. Filing Fee. Rule 25-30.020(h), F.A.C., requires a separate filing fee for an application to change service availability charges. The additional filing fee of \$1,000 must be submitted.

2. Schedule B-4: Schedule B-4 requires the revenue data to be submitted for the historical test year. In addition to the information submitted for the proforma present revenues, submit the historical test year revenues before adjustments by primary account. Schedule B-4, page 2 of 2 submitted shows a test year ended December 31, 1992. Schedule B-4 does not require the information on revenues by primary account for the final revenues requested. If the utility wishes to included this schedule, please indicate the correct test year and describe the revenues as final requested revenues in Column 1.

3. Section D, Cost of Capital. The balances on Schedule D-2 used to calculate average test year capital structure do not agree with those reflected on Schedule A-19, Comparative Balance Sheet - Equity Capital & Liabilities. Although not stated, it appears that the capital structure used is that of Utilities, Inc, the parent. The MFRs in Section D require the information to be submitted for the utility. If the

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utility wishes to use the capital structure of the parent, Section D, in total, should be submitted for both the utility and the parent capital structures. Both sets of schedules should be clearly identified as to which capital structure is reported on each schedule. Also, please indicate the correct title for Schedule D-4. In addition, on Schedule D-4, fill out the maturity date of the debt borrowed from Bank of America & Bank One.

4. Schedule E-14, Billing Analysis, Book 1 of 1. Columns 6, 7 and 8 of Schedule E-14 have not been properly completed.
5. Rule 25-30.440(4), F.A.C. The monthly operating reports for Amber Hill for April 1995 through December 1995 and for Vistas for April 1995 were not filed as required by this rule.
6. Rule 25-30.565(4), F.A.C. The following requirements of Rule 25-30.565(4) pertaining to the application for revised service availability charges have not been met:
 - (c) The number of the Commission order, if any, which previously considered the charges or service availability policy for the system involved.
 - (o) A detailed statement by a registered professional engineer showing the cost, by Uniform system of Accounting account numbers, and capacity of proposed plant expansion, and a timetable showing projected construction time.
 - (p) A detailed statement by a registered professional engineer showing how the proposed construction will affect the capacity of the existing systems.
 - (q) If the expansion or plant upgrading is being undertaken to comply with the mandates of local, state or federal regulatory authorities, copies of the order(s) or correspondence directing expansion.
 - (r) A schedule showing the projected growth rate for utilization of the existing plant and line capacity an future plant and line capacity.
 - (t) A schedule showing, by meter size, the cost of meters, connecting fittings, meter boxes or enclosures and also showing sufficient data on labor and any other applicable costs to allow the determination of an average cost for meter installation by type.

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(u) A statement of the existing and proposed on-site and off-site main installation charges or policy.

Your petition will not be deemed filed until the date that we receive the above mentioned information. These corrections should be submitted no later than July 8, 1996.

Sincerely,



Charles H. Hill
Director

CHH/MWW

c: Division of Records and Reporting
Division of Legal Services (Jaber)
Division of Water and Wastewater (Willis, Merchant, Crouch, Rendell)