ORIGINAL

COMMISSIONERS: LILA A. JABER, CHAIRMAN J. TERRY DEASON BRAULIO L. BAEZ MICHAEL A. PALECKI RUDOLPH "RUDY" BRADLEY



TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Hublic Service Commission

November 25, 2002

Ms. Kimberly Gossett Tevalo, Inc. P.O. Box 2898 Winter Haven, Fl 33883

Re: Docket No. 011677-WU, Application for a Staff Assisted Rate Case by Tevalo, Inc. d/b/a McLeod Gardens Water Company

Dear Ms. Gossett:

On November 19, 2002, the Commission voted on staff's recommendation dated November 7, 2002. A Proposed Agency Action (PAA) order is scheduled to be issued on December 9, 2002. If no protests are filed by the end of the protest period, which is 21 days from the date that the PAA order is issued, the rates and charges approved by this Commission will become final. However, the utility must submit revised tariff pages for staff's approval before the utility can implement new rates.

To expedite the tariff revision process, the utility should file all revised tariff pages by December 20, 2002, to allow staff sufficient time to verify the accuracy of the revised pages. Enclosed are instructions for, as well as, examples of revised tariffs for this utility. Although staff has prepared revised tariffs for this utility, it is the utility's responsibility to make sure all tariffs submitted to the Commission are complete and accurate.

A copy of the customer notice informing the utility's customers of the Commission's approved increase must also be submitted for staff's review and approval. After staff approves this notice, it must be mailed to customers of receipt prior to consumption at the increased rates. This notice shall show the effective date of the tariffs. Staff has also included an example of a Commission approved customer notice.

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Ms. Gossett Page 2 November 25, 2002

Please mail the revised tariff pages and a copy of the proposed customer notice to:

Mr. Ryan Fitch
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Enclosed is a copy of accumulated plant, depreciation, CIAC and amortization of CIAC schedules reflecting year end balance at December 31, 2001. The Commission approved these balances for rate setting purposes in this case. Once the protest period expires and a consummating order is issued, please reconcile your books with the Commission approved accumulated balances shown on the enclosed schedules.

If you have any questions, please contact Ryan Fitch at (850) 413-6928.

Sincerely

Troy Rendell

Public Utilities Supervisor

TR:rf
Enclosure (4)

cc: Division of Economic Regulation (Fitch)

Office of General Counsel (Vining)

Division of Auditing and Safety (Vandiver)

Division of Commission Clerk and Administrative Services (011677-WU)

Water

Docket No. 011677-WU, McLeod Gardens Water Company.

Commission Approved Balances for year end December 31, 2001

			Debit	Credit
ACCOUNT	Depr. Rate Per Rule 25-30.140	DESCRIPTION	PLANT 12/31/2001	ACCUM. DEPR. 12/31/2001
304	3.57%	Strutures and Improvements	2,250	402
307	3.70%	Wells and Springs	13,348	2,157
309	3.13%	Supply Mains	7,776	1,217
311	6.67%	Pumping Equipment	21,963	2,414
320	5.88%	Water Treatment Plant	895	263
330	3.03%	Distribution Reserviors	31,582	4,644
331	2.63%	T&D Mains	64,725	3,772
333	2.86%	Services	23,798	1,138
334	5.88%	Meters and Meter Instalation	9,035	545
335	2.50%	Hydrants	10,258	627
		TOTAL	185,630	17,179
		Land	7,000	
			CIAC AMORT.	CIAC
ACCOUNT	RATE	DESCRIPTION	12/31/2001	12/31/2001
	Composite	Cash CIAC Collection	1,483	15,950
331	2.63%	T&D Mains	3,772	64,725
333	2.86%	Services	1,138	23,798
335	2.50%	Hydrants	627	10,258
		TOTAL	7,020	114,731