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

Public Service Commission

June 23, 2004

Mr. F. Marshall Deterding  
Rose, Sundstrom & Bentley, LLP  
2548 Blairstone Pines Drive  
Tallahassee, Florida 32301

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**Re: Docket No. 040515-WU - Application for Certificate to operate a water utility in Orange and Lake Counties by Oak Springs, LLC. for Proposed Water System and Request for Initial Rates and Charges.**

Dear Mr. Deterding:

After reviewing the application in the above referenced docket, staff has identified the following deficiency and additional information needed to complete our review of the application.

Deficiency

- As required by Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code (F.A.C.), the utility must provide notice of the application and provide affidavits that the notice was given. The application indicates that the appropriate notices have been given to customers and the affidavit of the noticing to the customers would be submitted as late filed Exhibit K. Please provide the affidavit of noticing to the customers.

Additional Information

- Please resubmit Original Sheet No. 22.0 with a copy of a customer bill, which contains all information required by Rule 25-30.335(1), F.A.C.
- Please resubmit Original Sheet No. 24.0 with a description of the utility's proposed service availability policy. The policy should describe who is responsible for the construction of on-site and off-site lines, hydrants, meter installation, and whether the facilities constructed by the developers will be conveyed to the utility.

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 COM \_\_\_\_\_  
 CTR \_\_\_\_\_  
 ECR \_\_\_\_\_  
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Mr. F. Marshall Deterding

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3. Please explain the basis for the 24,650,000 annual gallons used on Exhibit H, page 1 of 1 to calculate the monthly gallonage charge of \$2.03.
4. Please provide more detailed information concerning the requirement by the Water Management District to charge for water service. Provide any correspondences or permit requirements which would indicate such a requirement.
5. Starting with January 2003, to the present, please provide copies of the Department of Environmental Protection's (DEP) monthly operating reports for the utility's water treatment plant. Also, provide a copy of the utility's most recent DEP compliance inspection report.
6. For each of the water wells, provide the pumping capacity in gallons per minute. For each of the high service pumps, provide the pumping capacity in gallons per minute. Why is Well No. 2 in the process of being abandoned, and when will Well No. 3 be installed? What is the itemized estimated cost of the well abandonment and installation project?
7. Please provide a statement regarding contractual services. The statement should include detailed information as to how the projected costs were determined for each of services listed in NARUC Account. No. 630. If services to operate and manage the utility are currently under contract, please provide a copy of the contract. Also, provide a list that includes names, duties, and DEP operating certificate numbers and class of the plant operators.
8. Please provide copies of purchased power invoices for the year 2003, to the present. Does the actual 2003 purchased power expense of \$9,328 (for 9 months) include only the costs to operate the water treatment plant?
9. Please provide documentation to show whether the cost for the lines are depreciated or written off to the cost of goods sold on the property owners tax returns. If the lines are being depreciated, provide documentation as to the depreciate rate used on the tax return.
10. Do residential customers own or rent the lots in the mobile home park?

The original and four copies of the response to the information requested in this letter should be filed with the Commission on or before **July 26, 2004**. When filing the response, please be sure to refer to the docket number and to direct the response to:

Division of Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

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Should you have any questions concerning the information in this letter, please contact Stan Rieger at 850-413-6970 or Cheryl Johnson at 850-413-6984.

Sincerely,

A handwritten signature in cursive script that reads "Patti Daniel".

Patti Daniel  
Supervisor of Certification

PD:caj

cc: Division of Economic Regulation (Johnson, Rieger)  
Office of the General Counsel (Brown)  
Division of Commission Clerk and Administrative Services (Bayó)