

ORIGINAL

STATE OF FLORIDA

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

Public Service Commission

November 21, 2005

Ms. Kristee Mollerup  
Brendenwood Water System, Inc.  
3153 Penwa Ct.  
Longwood, FL 32779

Re: Docket No. 050880-WU, Petition for limited alternative rate increase in Lake County by Brendenwood Water System, Inc.

Dear Ms. Mollerup:

We have reviewed the application submitted on November 17, 2005, on behalf of the above mentioned utility. After reviewing this information, we find the application to be deficient. The specific deficiencies are identified below:

1. Rule 25-30.457(1), Florida Administrative Code (F.A.C.) , requires that a utility petition the Commission for a limited alternative rate increase of up to 20 percent applied to metered or flat recurring rates of all classes of service. The document that the utility submitted did not reflect the percent increase requested.
2. Rule 25-30.457(8)(b), F.A.C., requires that the utility provide the names and addresses of all persons who own 5 percent or more of the petitioner's stock. Please provide the address for Deborah J. Miller.
3. Rule 25-30.457(9)(a), F.A.C., requires a schedule showing annualized revenues by customer class and meter size for the most recent 12-month period using the rates in effect at the time the utility files its application. Please provide a schedule. Attached is a suggested format for this schedule.
4. Rule 25-30.457(9)(b), F.A.C., requires current and proposed rates for all classes of customers. Please provide the rates requested. Attached is an example.
5. Rule 25-30.457(10), F.A.C., requires a statement that the figures and calculations upon which the change in rates is based are accurate and that the change will not cause the utility to exceed its last authorized rate of return on equity. Please provide this statement. Attached is an example.

CMP \_\_\_\_\_  
 COM \_\_\_\_\_  
 CTR \_\_\_\_\_  
 ECR \_\_\_\_\_  
 GCL \_\_\_\_\_  
 OPC \_\_\_\_\_  
 RCA \_\_\_\_\_  
 SCR \_\_\_\_\_  
 SGA \_\_\_\_\_  
 SEC   1    
 OTH \_\_\_\_\_

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In addition, be advised that Rule 25-30.457(2), F.A.C., requires that upon filing a petition for a limited alternative rate increase, the utility shall mail a copy of the petition to the chief executive officer of the governing body of each municipality and county with the service areas included in the rate request and retain a copy at the utility's business office. Please provide staff a copy of the transmittal letter to the chief executive officers.

Your petition will not be deemed filed and the official filing date will not be established until the deficiencies identified in this letter have been corrected. If you have any questions or need assistance, please contact Ms. Sam Merta at (850) 413-6427. These corrections should be submitted no later than December 22, 2005.

Sincerely,

Handwritten signature of Joseph D. Devlin in cursive, with the initials "FD" written to the right of the signature.

Tim Devlin  
Director of Economic Regulation

TD:sm

Enclosures (2)

cc: Division of Commission Clerk and Administrative Services (050880-WU)  
Division of Economic Regulation (Merta)  
Office of General Counsel

**CALCULATION OF ANNUALIZED REVENUES**

October 15, 2004 – October 15, 2005

RS number of customers on Oct. 15, 2005 times BFC times 12 = \$XXXX  
 RS number of gallons x \$1.48 = \$XXX  
 RS number of gallons x \$2.11 = \$ XXXX  
 Total RS revenue = \$XXXX

GS number of customers on Oct 15, 2005 times BFC times 12 = \$XXXX  
 GS number of gallons times \$1.74 = \$XXXX  
 Total GS revenue = \$XXX

Total annualized revenue = \$21,558

**PROPOSED RATES**

Water Rates - RS, GS

<u>Meter Size</u>	<u>Old Rates</u>	15.60% <u>Rate Increase</u>	<u>New Rates</u>
5/8"x3/4"	10.42	1.63	\$12.05
3/4"	15.62	2.44	\$18.06
1"	26.04	4.06	\$30.10
1 1/2"	52.07	8.12	\$60.19
2"	83.32	13.00	\$96.32
3"	166.61	25.99	\$192.60
4"	260.35	40.61	\$300.96
6"	520.70	81.23	\$601.93
Gallage Chrg RS	1.48	0.23	\$1.71
Gallage Chrg RS	2.11	0.33	\$2.44
Gallage Chrg GS	1.74	0.27	\$2.01

**STATEMENT**

I, \_\_\_\_\_, hereby affirm that the figures and calculations upon which the change in rates is based are accurate and that the change will not cause \_\_\_\_\_ to exceed the range of its last  
(Utility Name)  
authorized rate of return on equity, which is \_\_\_\_\_.

I, the undersigned/officer of the above-named utility, have read the foregoing and declare that, to the best of my knowledge and belief, the information contained in this application is true and correct.

This affirmation is made pursuant to my request for a Limited Alternative Rate Increase in conformance with Rule 25-30.457(10), Florida Administrative Code.

Further, I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

Signature: \_\_\_\_\_  
Title: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_