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

Public Service Commission

July 27, 2006

Marshall Deterding, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, FL 32301

Re: Docket No. 060431-WS – Request for implementation of security deposits for water and wastewater systems in Pasco County by Paradise Lakes Utility, L.L.C.

Dear Mr. Deterding:

We have reviewed the application submitted on June 2, 2006 requesting security deposits for Paradise Lakes Utility, L.L.C. (Paradise Lakes or utility) water and wastewater systems. After reviewing the application staff has determined additional information is needed.

Per Rule 25-30.311(7), Florida Administrative Code, a utility may require, upon reasonable written notice of not less than 30 days, such request or notice being separate and apart from any bill for service, a new deposit, where previously waived or returned, or an additional deposit, in order to secure payment of current bills; provided, however, that the total amount of required deposit should not exceed an amount equal to the average actual charge for water and/or sewer services for two billing periods for the 12-month period immediately prior to the date of notice. In the event the customer has had service less than 12 months, then the utility shall base its new or additional deposit upon the average monthly billing available.

The utility stated that it is attempting to minimize the administrative burden on the utility; however please provide staff with the calculations as to what the deposits would be based on Paradise Lakes' average residential monthly bill times two.

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- COM _____
- JTR _____
- ECR _____
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- OPC _____
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- SEC 1
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DOCUMENT NUMBER - DATE
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FPSC - COMMISSION CLERK

Mr. Marshall Deterding, Esquire

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Please submit the above information to the Division of the Commission Clerk and Administrative Services by August 14, 2006. If you have any questions, please contact me by phone at (850) 413-6844 or by e-mail at tbiggins@psc.state.fl.us.

Sincerely,



Tracey Biggins

Professional Accountant

cc: Division of Economic Regulation (Rendell)
Office of the General Counsel (Bennet)
Division of the Commission Clerk and Administrative Services