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

Public Service Commission

July 10, 2008

Ms. Darcie Maldonado
Cedar Acres Inc.
P. O. Box 13726
Tampa, Florida 33681

Re: Docket No. 080098-WU; Application for certificate to provide water service in Sumter County by Cedar Acres Inc.

Dear Ms. Maldonado:

Staff has reviewed the deficiency response of June 19, 2008, for the above referenced application by Cedar Acres Inc. We have determined that there are still some deficiencies and requests for additional information which need to be addressed for this application.

Deficiencies

1. Noticing. Pursuant to Rule 25-30.030, Florida Administrative Code (F.A.C.), the application is to contain three notices and three affidavits of noticing. According to the application, the published notice and affidavit will be late filed. It appears that the requested utility territory is within one mile of both Marion and Lake County lines. In such cases the rule requires that the utility also notice the government officials and privately-owned water and wastewater utilities and publish the notice in the two adjoining counties. It is our understanding that the applicant is in the process of issuing notices for this application. Please provide the required affidavits and copies of notices as required.
2. Ownership or continued use of land. Pursuant to Rule 25-30.034(1)(e), F.A.C., the application is to include evidence that the utility owns the land upon which the utility treatment facilities are located, or a copy of an agreement which provides for the continued use of the land, such as a 99-year lease. The deficiency response letter indicated that the land lease for the utility was still being revised and signed. Please provide the required executed and recorded lease.

Additional Information

1. Please provide a copy of the most recent income tax return for the corporation, including a depreciation schedule showing whether the utility assets are being depreciated. The information for tax year 2006-2007 would be fine.
2. Please provide a schedule showing the revenue and expenses for the utility operations for 2007. The information for tax year 2006-2007 would be fine.

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3. It is staff's understanding that the utility is included within a larger entity known as Cedar Acres Inc. Please provide a statement from the appropriate representative of the corporation that the corporation will continue to provide financial support to the utility.
4. Did the utility check with the Sumter County health department for a copy of the utility's system map?
5. When did the current owner buy the utility?

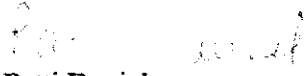
We have noticed the low rates charged by the utility. It has come to our attention that the applicant would like the Commission to set new rates for the utility. Normally the Commission does not change the rates currently charged by utilities in existence and charging rates. In order to expedite the review and approval process for approving a certificate of authorization in this docket, we recommend that you complete the requirements of this application. We further recommend that, upon receiving a water certificate, the utility apply for a staff assisted rate case.

The original and four copies of the response to the deficiencies and other information requested in this letter should be filed with the Commission on or before **August 8, 2008**. When filing the response, please be sure to refer to the docket number and to direct the response to:

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Should you have any questions concerning the information in this letter, please contact Stephanie Clapp, of my staff, at (850) 413-6997.

Sincerely,


Patti Daniel
Supervisor of Certification

PD/sc

cc: David Welch
Division of Economic Regulation (Clapp, Walden, Marsh)
Office of the General Counsel (Young)
