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

Public Service Commission

September 12, 2008

Mr. Michael B. Twomey, Esq.
P.O. Box 5256
Tallahassee, Florida 32314-5256

Re: Docket No 080517-WS Aqua Utilities Florida, Inc.'s Application for Approval of Transfer of Horizon Homes of Central Florida, Inc. Five Land Group LLC's Water and Wastewater Systems and Amendment of Certificates in Sumter County, Florida.

Dear Mr. Twomey:

After reviewing the September 2, 2008 letter in the above referenced docket, staff has identified the following items that need further clarification and additional information to complete our review and processing of the application.

Additional Information

1. Operating without certificates. According to your response in the September 2, 2008 letter, the utility was exempt from the commission's regulations based upon Sections 367.022(6) and (7) Florida Statutes (F.S.). Section 367.022(6) F.S. requires a utility system to have the capacity or proposed capacity to serve 100 or fewer persons to be exempt. According to the application, the Jumper Creek system capacity exceeds that limit. Section 367.022(7) F.S. requires the utility to be a nonprofit corporation, association or cooperative providing service solely to its members. If the Jumper Creek utility is owned by a nonprofit corporation, association, or a cooperative, please provide supporting documentation, such as articles of incorporation and bylaws.
2. Land. Please provide confirmation that the deed is accurate for the water and wastewater land as shown on Exhibits O and R. The legal description attached to Exhibit R is the entire service area requested. Exhibit O appears to be an affidavit and a legal description for one lot. This lot cannot be located on the service area map provided. Please provide a map indicating the location of the lot identified in Exhibit O. According to the application the water facilities are located on .33 acre and the wastewater facilities are located on a 2.68 acre parcel of land which should be deeded to the utility. Are the water and wastewater facilities located on the lot described in Exhibit O?
3. The rate base calculations that were provided in your September 2, 2008 response did not include contributions-in-aid-of-construction (CIAC), amortization of CIAC, or

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working capital amounts. Please include these items in determining your rate base calculations.

4. Acquisition Adjustment. A negative acquisition adjustment is required when the purchase price is less than 80 percent of the net book value pursuant to Rule 25-30.0371(3)(b), Florida Administrative Code. Please provide a schedule comparing the purchase price with rate base.
5. Service Availability Charges. The proposed tariff includes a meter installation charge for water, but no other service availability charges. Please provide a schedule showing whether the proposed service availability policy and charges comply with the provision of Rule 25-30.580, Florida Administrative Code. To comply with Rule 25-30.580, Florida Administrative Code, the minimum amount of CIAC should not be less than the percentage of facilities and plant that is represented by the water transmission and distribution and sewage collection systems at design capacity. Please refer to Rule 25-30.580, Florida Administrative Code, when addressing this item.

The original and four copies of the response to the information requested in this letter should be filed with the Commission on or before **September 30, 2008**. When filing the response, please be sure to refer to the docket number and 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 Tom Walden at 850-413-6950 or Cheryl Johnson at 850-413-6984.

Sincerely,



Patti Daniel
Public Utilities Supervisor
Bureau of Certification, Economics & Tariffs

PD/CAJ:kb
Enclosures

cc: Division of Economic Regulation (Walden)
Office of the General Counsel (Sayler)
Office of Commission Clerk (Cole)
Ms. Kimberly A Joyce, Esq.
Mr. Richard Brown, VP of Acquisitions and Development