



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: December 22, 2008

TO: Lynn M. Deamer, Regulatory Analyst Supervisor, Division of Regulatory Compliance

FROM: Denise N. Vandiver, Chief of Auditing, Division of Regulatory Compliance *DNV DD*

RE: Docket No: 080715-WU; Utility Name: CWS Communications LP;
Audit Request: Determine Eligibility for Staff Assistance;
Audit Control No: 08-357-1-1;

Complete the attached form for determining eligibility for staff assistance (Audit Control No. 08-357-1-1) and mail under a transmittal letter to Cheryl Bulecza-Banks, Division of Economic Regulation, with a copy to me no later than January 6, 2009.

By copy of this memorandum, I request that Lynn Deamer be added to the CASR distribution list.

DNV/tbm
Attachment

CC: Office of Public Counsel
Office of Commission Clerk
Division of Economic Regulation (Bulecza-Banks)

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COMMISSION
CLERK

- COM _____
- ECR _____
- GCL _____
- OPC _____
- RCP _____
- SSC _____
- SGA _____
- ADM _____
- CLK *Grant*

DOCUMENT NUMBER-DATE

11870 DEC 23 08

FPSC-COMMISSION CLERK

SHORT FORM RATE CASE (Applicable to WAW Only)

PRELIMINARY AUDIT SCOPE

	<u>YES</u>	<u>NO</u>
(1) Does the utility have annual revenues of \$250,000 or less for each service provided or \$500,000 or less where the services are combined?	_____	_____
(2) Were the applicant's books and records organized consistent with Rule 25-30.455, Florida Administrative Code, so as to allow Commission personnel to verify cost and other relevant factors within the 30-day time frame set out in the rule?	_____	_____
(3) Is the utility current in its filing of annual reports? Date last report filed: _____	_____	_____
(4) Is the utility current in its payment of applicable gross receipt tax or assessment fees? Date of last payment? _____ Amount? _____	_____	_____
(5) Is the utility a subsidiary to a larger corporation? If yes - Name immediate parent. _____	_____	_____
(6) Is the utility included in a consolidated Federal Income Tax return? If yes - name immediate parent. _____	_____	_____
(7) Comments or other financial and accounting matters which came to the attention of the auditor during the review.	_____	_____



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CLERK

080715-WU

215 SOUTH MONROE STREET
SUITE 815
TALLAHASSEE, FLORIDA 32301

(850) 412-2004
FAX: (850) 412-1304
MARY.SMALLWOOD@RUDEN.COM

December 18, 2008

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

Via Hand-Delivery

Re: Application for Staff Assisted Rate Case pursuant to Sec. 25-30.455 by CWS
Communities LP

Dear Ms. Cole:

Enclosed for filing in this docket are an original and seven copies of the Application for Staff Assisted Rate Case by CWS Communities LP. Also enclosed at this time is the Hometown America, LLC check no. 315589 in the amount of \$1,000.00, made payable to the Florida Public Service Commission, as filing fee.

Please let me know if you have any questions.

Sincerely,

Mary F. Smallwood

Enclosure

TAL:60001:1

DOCUMENT NUMBER-DATE
11694 DEC 18 08
FPSC-COMMISSION CLERK

RUDEN, McCLOSKEY, SMITH, SCHUSTER & RUSSELL, P.A.

CARACAS • FT. LAUDERDALE • MIAMI • NAPLES • ORLANDO • PORT ST. LUCIE • SARASOTA • ST. PETERSBURG • TALLAHASSEE • TAMPA • WEST PALM BEACH

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A
STAFF ASSISTED RATE CASE

I. General Data

A. Name of utility CWS Communities LP (Lake County)

B. Address 14 Coral St. Eustis, Florida 32726

1. Telephone Nos. (352) 589-1190

2. County Lake Nearest City Eustis

3. General area served Haselton Village Mobile Home Park

C. Authority:

1. Water Certificate No. 518 W Date Received 6/6/1989

2. Wastewater Certificate No. N/A Date Received

3. Date utility started operations: Water 1970's Wastewater N/A

D. How system was acquired Purchased

If utility was purchased, give date Amount Paid: Rate Base Allocation

1. Name of Seller: Chateau Communities

2. Was seller affiliated with present owners? No

3. Did you purchase: Stock _____ or assets only: Assets

Type of legal entity: Corporation, Partnership or Sole Proprietorship
LLC Partnership

E. Ownership & Officers: No officers as this is LLC.

	Name	Title	Percent Ownership
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____

F. List of Associated Companies and Address:

1. Hometown America, Inc.
2. _____
3. _____

G. If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

Mary Smallwood, Esq. Ruden McClosky, LLP
215 South Monroe Street, Tallahassee, FL 32301
Gary Morse – Utility Rate Consultant
44 Black Willow Street, Homosassa, FL 34446

II. Accounting Data

A. Outside Accountant

1. Name _____
2. Firm _____
3. Address _____
4. Telephone _____

B. Individual to contact on accounting matter:

1. Name Tom Curatolo, Chief Financial Officer for Hometown America
2. Telephone (312) -604-7505

C. Location of Books and Records Haselton Village Mobile Home Park

D. Have you filed an Annual Report with the Commission? Yes

Date Last Filed: April 2008

E. Has your latest semiannual regulatory assessment fee payment been made (January 30 or July 30 whichever is applicable)? Yes – annual

F. Basic Rate Base Data (Most recent two years)

1. Water	2006	2007
Cost of Plant In Service:	\$242,236	\$251,836
Less Accumulated Depreciation:	\$123,203	\$130,828
Less Net Contributed Plant:	\$18,469	\$17,192
Net Owner's Investment:	<u>\$100,564</u>	<u>\$103,806</u>

G. Basic Income Statement (Most recent two years):

1. Water	2006	2007
Revenues (By Class):		
a. Residential	\$ 18,922	\$ 19,733
b. Other		\$ 1,922
c. _____		
Total Operating Revenues:	\$ 18,922	\$ 21,655
Less Expenses:		
a. Salaries & Wages – Employees	\$ 0	\$ 2,658
b. Salaries & Wages – Officers, Directors, & Majority Stockholders		
c. Employee Pensions & Benefits	\$ 0	\$ 431
d. Purchased Water		
e. Purchased Power	\$ 2,400	\$ 2,959
f. Fuel for Power Production		
g. Chemicals	\$ 1,809	\$ 3,174
h. Fuel for Power Generation	\$ 0	\$ 76
i. Contractual Services	\$ 6,065	\$ 12,939
j. Testing	\$ 972	\$ 1,200
k. Other	\$ 385	\$ 0
l. Billing	\$ 0	\$ 841
m. Regulatory Commission Expense		
n. Bad Debt Expense		
o. Miscellaneous	\$ 637	\$ 0
p. Depreciation/Amort Expense	\$ 5,436	\$ 5,578
q. Property Taxes	\$	
r. Other Taxes – RAF's	\$ 808	\$ 1,104
s. Income Taxes		
Operating Income (Loss)	\$ 410	\$ <9,306>

H. Outstanding Debt: See attached debt schedule.

<u>Creditor</u>	<u>Date Borrowed</u>	<u>Balance Due</u>	<u>Interest Rate</u>	<u>Expiration Date</u>
<u>1.</u>				
<u>2.</u>				
<u>3.</u>				
<u>4.</u>				

I. Indicate Type of Tax Return Filed: Partnership

Engineering Data

D. Outside Engineering Consultant:

1. Name Julian Coto, P.E.
2. Firm Excel Engineering Consultants, Inc.
3. Address 122 Wilshire Blvd., Casselberry, FL 32707
4. Telephone (407) 262-2292

E. Individual to contact on engineering matters:

1. Name Julian Coto, P.E.
2. Telephone (407) 260-2292

F. Is the utility under citation by the Department of Environmental Protection (DEP) or county health department? If yes, explain.

No

G. List any known service deficiencies and steps taken to remedy problems.

None

H. Name of plant operator(s) and DEP operator certificate number(s) held. N/A
Contract Ops - Florida Utility Group

I. Is the utility serving customers outside of its certificated area? No

If yes, explain _____

J. Water

1. Gallons per day capacity of treatment facilities existing 110,000
under construction N/A proposed N/A
2. Type of treatment chlorination
3. Approximate average daily flow of treated water 39,973 gpd
4. Source of water supply Two Wells
4. Types of chemicals used and their normal dosage rates Chlorine/15 GPD
6. Number of wells in service 2 Total capacity in gallons per minute (gpm) 76 GPM

Diameter/Depth 4-inch /200ft.
Motor horse 8 HP
Pump capacity (gpm) 30

Diameter/Depth 6-inch /310ft.

Motor horse 20 HP
Pump capacity (gpm) 45

7. Reservoirs and/or hydropneumatic tanks: One 7,500 Hydro Ground Storage Tank replaced in 2005
8. High service pumping: N/A
9. How do you measure treatment plant production? Well Flow Meter
10. Approximate feet of water mains:
- | Size (diameter) | 1-inch | 1-1/2 | 2-inch | 3-inch | 4-inch | 6-inch | 8-inch |
|-----------------|--------|-------|--------|--------|--------|--------|--------|
| Linear feet | | | 425 | | | 8,068 | |
- Note any fire flow requirements and imposing government agency
500 GPM
11. Number of fire hydrants in service 10
13. Do you have a meter change out program? No
14. Meter installation or tap in fees – Water \$ _____
15. Service availability fees – Water \$ System Capacity
16. Has the existing treatment facility been approved by DEP? Yes
17. Total gallons pumped during most recent twelve months 14,590,000
18. Total gallons sold during most recent twelve months Unmetered Flat Rate
19. Gallons unaccounted for during most recent twelve months N/A
20. Gallons purchased during most recent twelve months 0

III. Rate Data


- A. Individual to contact on tariff matter:
- Name Gary Morse, Utility Rate Consultant
 - Telephone Number (352) 382-1434
- B. Schedule of present rates (Attach additional sheets if more space is needed):
- Water
 - Residential Water (Occupied) Flat Rate \$7.41
 - Residential Water (Unoccupied) Flat Rate \$3.17
 - Special Contract _____
 - Other _____

C. Number of Customers (Most recent two years):

1. Water Metered	<u>2006</u>	<u>2007</u>
a. Residential	_____	_____
b. General Service	<u>0</u>	<u>0</u>
c. Special Contract	_____	_____
d. Other - Specify	_____	_____
2. Water UnMetered	<u>2006</u>	<u>2007</u>
a. Residential	<u>290</u>	<u>290</u>
b. General Service	_____	_____
c. Special Contract	_____	_____
d. Other - Specify	_____	_____

IV. Affirmation

I, Eric Zimmerman the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge and belief.

Signed 
Title Division President

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

**Hometown America
Debt Structure as of June 30, 2008**

		Lender	Fixed vs. Floating	Current Interest Rate	Principal Balance 6/30/2008	Current Maturity Date
REVOLVING CREDIT						
		JP Morgan	Floating	3.22%	182,600,000	July 2008
			Subtotal		<u>182,600,000</u>	
<u>MORTGAGE NOTES</u>						
Fixed Debt						
Springbrook	1136		Fixed	5.17%	14,400,000	Aug 2015
Westbrook	1157		Fixed	5.74%	17,565,894	Apr 2011
Creekside	1191		Fixed	7.49%	11,893,003	Jan 2011
Grand Place	1196		Fixed	6.12%	8,201,000	Feb 2018
Greenbriar Village	1197	Deutsche Bank	Fixed	5.20%	14,240,000	Jun 2015
Green River Village	1198		Fixed	5.58%	19,349,146	Dec 2013
Northwood	1209		Fixed	6.12%	13,275,000	Feb 2018
Stonegate Austin	1221		Fixed	5.75%	9,537,322	Aug 2013
Longview	1235		Fixed	5.00%	11,545,464	Aug 2013
Fernwood	1250	Deutsche Bank	Fixed	5.20%	9,280,000	Jun 2015
Brighton	1284	First Sun America	Fixed	5.21%	6,977,659	Mar 2015
Pine Ridge	1286		Fixed	6.12%	37,000,000	July 2016
Oakhill	1287		Fixed	5.70%	5,200,000	Apr 2016
Ridgewood	1288		Fixed	5.48%	10,500,000	Apr 2016
Highlands at Scotland	1289		Fixed	5.67%	12,000,000	May 2012
Heron Cay	1290		Fixed	5.76%	30,675,000	Dec 2016
Vero Palm	1291		Fixed	5.76%	12,325,000	Dec 2016
Mullica Woods	1292		Fixed	5.66%	4,400,000	Jan 2017
Featherock	1296		Fixed	5.76%	21,000,000	Jun 2017
Peppermint Woods	1297		Fixed	5.67%	41,583,000	Jan 2018
Miller's Woods	1298		Fixed	5.84%	4,300,000	Jan 2018
Belle Villa	1409	AIG Annuity	Fixed	5.68%	17,400,000	Jun 2015
Landmark	1424		Fixed	5.56%	14,545,957	Oct 2012
Lake Worth	1430		Fixed	8.30%	15,440,111	Sept 2023
Mountain View	1434		Fixed	5.50%	7,000,000	Apr 2018
Sunshine Valley	1441	GMAC	Fixed	7.31%	5,171,870	Apr 2013
Audubon Estates	1455		Fixed	5.58%	<u>25,640,461</u>	Sept 2013
					400,445,887	
Lake Village	1429	GE Capital	Fixed	5.81%	11,685,448	Nov 2012
Whispering Pines	1446	GE Capital	Fixed	5.80%	<u>7,736,256</u>	Dec 2012
					19,421,704	
Audubon	1007	Sun America	Fixed	5.42%	6,952,622	Nov 2014
Meadow Park	1095	Sun America	Fixed	5.50%	2,350,984	Nov 2014
Country Lakes	1420	Sun America	Fixed	5.50%	19,900,000	June 2015
Crescent Run	1421	Sun America	Fixed	6.21%	10,000,000	Aug 2016
University Lakes	1445	Sun America	Fixed	6.22%	55,000,000	Oct 2016
Woodlands	1447	Sun America	Fixed	5.63%	<u>25,031,116</u>	Dec 2012
					119,234,722	

Hometown America
Debt Structure as of June 30, 2008

	Lender	Fixed vs. Floating	Current Interest Rate	Principal Balance 6/30/2008	Current Maturity Date
Holiday Estates	1068 JP Morgan	Fixed	5.40%	6,280,000	Jan 2016
Shenandoah Estates	1132 JP Morgan	Fixed	5.40%	5,728,000	Jan 2016
Skyway	1134 JP Morgan	Fixed	5.40%	4,133,000	Jan 2016
Whispering Pines - Largo	1158 JP Morgan	Fixed	5.40%	12,646,000	Jan 2016
Hoosier Estates	1184 JP Morgan	Fixed	5.40%	6,900,000	Jan 2016
Beacon Hill Colony	1187 JP Morgan	Fixed	5.40%	5,325,000	Dec 2015
Los Ranchos	1204 JP Morgan	Fixed	5.40%	13,270,000	Jan 2016
North Bluff Estates	1207 JP Morgan	Fixed	5.40%	8,150,000	Jan 2016
North Glen Village	1260 JP Morgan	Fixed	5.40%	7,218,000	Dec 2015
West Meadow Estates	1285 JP Morgan	Fixed	5.05%	6,200,000	Dec 2015
Santa Barbara	1405 JP Morgan	Fixed	5.40%	17,000,000	Dec 2015
Cloverleaf	1415 JP Morgan	Fixed	5.40%	22,200,000	Jan 2016
Country Club	1418 JP Morgan	Fixed	5.29%	4,785,066	May 2013
Li'l Wolf	1431 JP Morgan	Fixed	5.29%	9,091,625	May 2013
Mesa Ridge	1433 JP Morgan	Fixed	5.29%	5,454,975	May 2013
Shady Grove	1439 JP Morgan	Fixed	5.29%	4,689,364	May 2013
Pool 1	2623 JP Morgan	Fixed	4.83%	25,161,941	2008
Pool 2	2624 JP Morgan	Fixed	5.30%	42,890,121	2010
Pool 3	2625 JP Morgan	Fixed	5.49%	39,546,590	2013
Pool 4	2626 JP Morgan	Fixed	5.30%	71,656,380	2010
Pool 5	2627 JP Morgan	Fixed	5.49%	49,267,200	2013
Pool 6	2628 JP Morgan	Fixed	5.49%	77,248,023	2013
Pool 7	2629 JP Morgan	Fixed	5.49%	91,368,363	2013
Pool 8	2630 JP Morgan	Fixed	5.49%	43,649,898	2013
Pool 9	2631 JP Morgan	Fixed	5.49%	60,761,755	2013
				640,621,301	
NW Mutual Life	2634 NW Mutual Life	Fixed	6.75%	33,463,048	April 2009
NW Mutual Invest	2634 NW Mutual Life	Fixed	7.60%	55,965,775	May 2010
				89,428,823	
Loan 1	2634 Fannie Mae	Fixed	7.83%	107,011,792	July 2010
Loan 2	2634 Fannie Mae	Fixed	5.18%	13,975,981	July 2010
				120,987,773	
SUB TOTAL FIXED RATE DEBT				1,390,140,210	
SUB TOTAL VARIABLE RATE DEBT				182,600,000	
Total Debt				1,572,740,210	