

State of Florida

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DIVISION OF LEGAL SERVICES
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Public Service Commission

July 28, 1993

John F. Lowndes, Esq.
Lowndes, Drosdick, Doster, Kantor,
& Reed, Professional Association
215 North Eola Drive
Post Office Box 2809
Orlando, Florida 32802

RE: Docket No. 930256-WS - Petition of Sanlando Utilities Corporation for a Limited Proceeding to Implement Water Conservation Plan

Dear Mr. Lowndes:

Based on the utility's response to staff's request of June 28, 1993, and questions raised at the customer meeting, staff requests that you provide the following information preferably within 14 days.

1. What will be considered the point of delivery of effluent to the golf courses?
2. Please explain whether the golf courses or the utility will assume responsibility for maintaining the reuse system after the point of delivery?
3. Please provide a breakdown of the \$20,421 operating expense estimate provided in Table II of the Conklin, Porter & Holmes Engineers, Inc. report.
4. Please provide a copy of the map described on page 1 of the Conklin, Porter & Holmes Engineer, Inc. report as well as the listing and summary of irrigation meters.
5. Please provide a wastewater billing analysis similar to the water billing analysis filed with the Petition for Conservation Rates.
6. Please discuss the utility's proposal concerning the duration of the new rate design, if the conservation rates are approved as requested. Would the rate be rolled back to its existing level upon recovery of costs outlined in the utility's proposal.
7. Please identify whether any of the owners (or stockholders with a majority ownership) of Sanlando Utility or Greater Construction Company have

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ownership or other financial interest in any of the three golf courses specified in the filing. If so, please identify their relationship to the golf course and amount and percentage of investment.

8. Does the utility have the financial ability to fund the construction without funding from customer rates in advance? If not, provide supporting evidence which shows why not.
9. Why does the utility not want to make this investment, given the high level of CIAC already existing for both water and wastewater systems?
10. What other steps would the utility take to promote conservation if not advanced funding were allowed by the Public Service Commission?
11. Why should the Commission approve a plan which increases the utility's contribution level when that level is already so high that it has been an issue in several Commission investigations and rate proceedings?
12. How does the utility propose to record the costs for these improvements? How does the utility propose to record the amounts collected in advance from the customers if the utility's proposed method is accepted by the Commission? Explain, for both question, in what systems and accounts the amounts would be recorded.
13. Why does the utility believe that it is appropriate for the amounts to be collected in advance if overearnings currently exists in the water system? How does the utility intend to reduce the earnings level of the water system in 1993 and beyond?
14. Please explain what the conservation benefits to the ratepayers would be if this plan is implemented.

If you should have questions concerning this letter, please call me at 487-2740.

Sincerely,



Catherine Bedell
Senior Attorney

CB/mcs

cc: Sanlando Utilities Corporation
c/o Mr. George H. Billings
Division of Records and Reporting
Division of Water and Wastewater (Messer, J. Williams, Starling, Johnson,
VonFossen)