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DIVISION OF WATER &
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(904) 488-8482

ORIGINAL
FILE COPY

Public Service Commission

December 8, 1993

Ben Johnson
Resort Village Utility, Inc.
1234 Timberlane Road
Tallahassee, FL 32312

Re: Docket No. 931111-SU - Application for Certificate for Sewer Service in Franklin County by Resort Village Utility, Inc.

Dear Mr. Johnson:

Staff has reviewed your application for an original certificate for sewer service submitted by Resort Village Utility, Inc. in the above referenced docket. The application is deficient for the following reasons:

1. Pursuant to Rule 25-30.033(m), Florida Administrative Code, the applicant must submit "one copy of a detailed map showing the proposed lines, treatment facilities and the territory proposed to be served". The maps submitted as Exhibit "P" in your application do not adequately show the proposed lines within the territory proposed to be served. Pages 2 of 6 and 5 of 6 were submitted which show schematics of the treatment facility and absorption beds, however, these maps do not meet the criteria of the above referenced rule.
2. Pursuant to Rule 25-30.033(n), Florida Administrative Code, the applicant must submit "one copy of the official county tax assessment map, or other map, showing the township, range and section with a scale such as 1"-200' or 1"=400', with the proposed territory plotted thereon by use of metes and bounds or quarter sections, and with a defined reference point of beginning". The map submitted as Exhibit "O" in your application does not correlate to the territory description submitted as Exhibit "N" in your application.
3. Pursuant to Rule 25-30.033(t), Florida Administrative Code, the applicant must submit "a list of all entities which have provided, or will provide funding to the utility, their financial statements or copies of any financial agreements".

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Exhibit "I" indicates that funding will be provided by Dr. Johnson and Coastal Development Consultants, Inc. However, in conflict with the rule, no financial statements for either party were provided, nor were any copies of financial agreements between the parties.

In addition to the noted deficiencies, the following additional information is needed in order to proceed with the analysis of your application.

1. In reference to the technical ability of the utility, pursuant to Rule 25-30.033(e), Florida Administrative Code, the statements submitted in "F" were vague as to who would be accomplishing the day-to-day operations for the utility. One statement indicates that "The Applicant currently has no technical staff, and is relying on professional service firms". Then the exhibit further states "Once the system is on line, daily maintenance will be accomplished by a part time operator, outside personnel, or some combination of both". Provide clarification as to how the applicant will receive technical operation services. If this is to be accomplished by an outside firm, provide a copy of the contract for service.
2. Additional clarification is required concerning the financial projections. The application indicates that the utility will be built in three phases. The first phase will be complete in 1994, the second in 1997, and the third in 2003. The Balance Sheet submitted shows 100% capacity of the first phase as of 12/31/97, however, this was also indicated to be the year that the second phase was complete. To help clear up this confusion, supply a schedule which shows the following information:
 - a) the capital investment, by plant account and by year, of the proposed system up to 100% capacity of Phase I.
 - b) the projected ERCs, by year, of the proposed system up to 100% capacity of Phase I.
 - c) the year the system reaches 80% capacity of Phase I. (The application indicates 80% and 100% capacity being accomplished the same year, 1997. It is also indicated that 80% capacity of Phase I is equivalent to 106 ERCs.)
3. In regards to the cost of the land, provide justification of the \$160,000. This may be in the form of a third party appraisal.

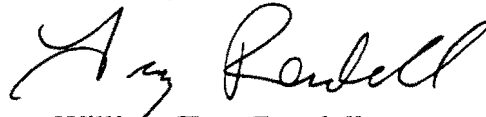
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4. The cost study provided indicates the proposed monthly charge per ERC would be \$95, however, the utility proposes a residential monthly charge of \$125. Provide an explanation as well as justification of why the utility proposes a higher monthly charge than the one indicated in the submitted cost study.
5. Provide justification of the proposed service availability charge of \$225 for Multi-family and \$300 for single-family. Also provide an explanation as to why the utility is proposing a single-family service availability charge when page 5 of the application indicates that no single-family residential customers will be served by this system. Also provide an explanation as to why the utility is proposing service availability charges that will not allow the utility meet the requirements of Section 25-30.580(1), Florida Administrative Code.

The official filing date of the application shall be the date that the deficiencies are satisfied pursuant to Rule 25-30.032(3), F.A.C. However, so that we may process the application in a timely manner, please provide the deficiencies and the additional requested information no later than January 10, 1994. The required fifteen copies should be submitted to: **Director, Division of Records and Reporting, Florida Public Service Commission, 101 E. Gaines Street, Tallahassee, FL 32399-0850.**

If you have any questions, do not hesitate to contact me at (904) 488-8482.

Sincerely,



William Troy Rendell
Regulatory Analyst

WTR/(931111.def)

cc: Charles H. Hill, Director, Division of Water and Wastewater
Jose Lorenzo, Division of Legal Services
Division of Records and Reporting