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DIVISION OF WATER &
WASTEWATER
CHARLES HILL
DIRECTOR
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Public Service Commission

August 8, 1996

Ms. Shari Dlouhy, President
Windstream Utilities Company
P.O. Box 4201
Ocala, FL 34478-4201

Re: Docket No. 960867-WU; Application for amendment of Certificate No. 427-W to add territory by Windstream Utilities Company in Marion County.

Dear Ms. Dlouhy:

After reviewing the application in the above referenced docket, the staff has identified the following deficiencies as well as additional information is needed to process the application.

1. As required by Section 367.045(1)(a), Florida Statutes (F.S.), and Rule 25-30.030, Florida Administrative Code (F.A.C.), the utility must provide notice of the application and provide affidavits that the notice was given. The notice must be given to the governmental entities and all utilities in the county, all cities located in the county, and to each of the customers in the proposed territory. The notice must be published in a newspaper. The application stated that the affidavits of noticing would be a late filed exhibit. Please file the affidavits when the noticing is complete.

2. As required by Rule 25-30.036(3)(b) Florida Administrative Code (F.A.C.), provide a statement showing the financial and technical ability of the utility to provide service and the need for service in the area requested. The application stated that this would be submitted later. In addition, according to the 1995 annual report filed by the utility, the utility had operating revenues of \$137,434 and a net operating loss of \$20,317. Since the utility has a net operating loss, please elaborate on the financial ability of the utility to add these additional customers.

3. As required by Rule 25-30.036(3) (c), Florida Administrative Code (F.A.C.), provide a statement that to the best of the applicant's knowledge the provision of service will be consistent with the water and wastewater sections of the local comprehensive plan

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Ms. Shari Dlouhy
Page 2
August 8, 1996

at the time the application is filed, as approved by the Department of Community Affairs, or, if not, a statement demonstrating why granting the amendment would be in the public interest. The utility provided a statement regarding the Marion County Land Development Code. The statement must reference the local comprehensive plan. How does the Marion County Land Development Code relate to the comprehensive plan?

4. As required by Rule 25-30.036(3)(d), Florida Administrative Code (F.A.C.), provide evidence that the utility owns the land upon which the utility treatment facilities that will serve the proposed territory are located or a copy of an agreement, such as a 99-year lease, which provides for the continued use of the land. The Commission may consider a written easement of other cost-effective alternative. The utility filed a quit claim deed, which is insufficient. The Commission will accept a quit claim deed with title insurance. Please contact Ms. Alice Crosby if you have any questions. Also, it appears water service will be provided from the Majestic Oaks and Sun Country water treatment plants. Therefore, two deeds need to be provided. One for each water treatment plant.

5. As required by Rule 25-30.036(3) (e), Florida Administrative Code (F.A.C.), (e) provide a description of the territory proposed to be served, using township, range and section references as specified in Rule 25-30.030(2). The first exception: "The North 1/2 of the NW 1/4 of the SE 1/4 of Section 17, Township 16 South, Range 21 East, Marion County" does not describe the area that is indicated in green on the territory map. The area in green on map is described as "The North 1/2 of the NW 1/4 of the SW 1/4 of Section 17 ..." Which description is correct? The last exception does not appear to agree with the map. See item No. 7. If these description are not correct the utility needs to rewrite the descriptions and renounce.

6. As required by Rule 25-30.036(3) (f), Florida Administrative Code (F.A.C.), provide one copy of a detailed system map showing the proposed lines, treatment facilities, and the territory proposed to be served. The map shall be of sufficient scale and detail to enable correlation with the description of the territory. The application stated that this would be submitted later.

7. As required by Rule 25-30.036(3) (i), Florida Administrative Code (F.A.C.), provide one copy of the official county tax assessment map or other map showing 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. I was able to verify the territory the utility intends to add. Again the first exception appears to be described incorrectly. I was unable to very the last

exception. It begins with "From the S.W. Corner". Please plot the description on a larger map and identify all angles and distances on the map.

8. As required by Rule 25-30.036(3) (j), Florida Administrative Code (F.A.C.), the utility must provide a statement describing the capacity of the existing lines, the capacity of the treatment facilities, and the design capacity of the proposed extension. The application stated that this would be submitted later.

9. As required by Rule 25-30.036(3) (k), Florida Administrative Code (F.A.C.), provide the numbers and dates of any permits issued for the proposed systems by the Department of Environmental Protection (DEP). A copy of the water management permits and DEP water treatment plant for Majestic Oaks Water Treatment Plant, but no mention of any permits from the DEP for the Sun Country Water Treatment Plant or any line extension permits for this amendment application.

10. As required by Rule 25-30.036(3) (l), Florida Administrative Code (F.A.C.), provide a detailed statement regarding the proposed method of financing the construction, and the projected impact on the utility's capital structure. The application stated that this would be submitted later.

11. As required by Rule 25-30.036(3) (r), Florida Administrative Code (F.A.C.), (r) provide an affidavit that the utility has tariffs and annual reports on file with the Commission. The application stated that this would be submitted later.

12. As required by Rule 25-30.036(3) (n), Florida Administrative Code (F.A.C.), provide a statement regarding the projected impact of the extension on the utility's monthly rates and service availability charges. The application stated that this would be submitted later.

13. As required by Rule 25-30.036(3) (p), Florida Administrative Code (F.A.C.), the utility must provide the applicants original Certificate No. 427-W for possible amendment. Please submit.

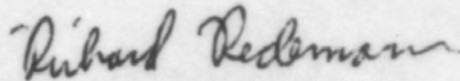
The utility has more than one approved rate and charge in Marion County. Please specify which rate and charge the applicant plans to charge the customers in this development and why. Also, please specify which water treatment plant Majestic Oaks or Sun Country will be providing the water to the development, or if both water treatment plants will be providing water to the development.

Ms. Shari Dlouhy
Page 4
August 8, 1996

Please file an original and twelve copies of the requested information no later than September 9, 1996 with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399.

If you have any questions please call.

Sincerely,



Richard Redemann, P.E.

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cc: Division of Water and Wastewater (Hill)
Division of Legal Services (Crosby)
Division of Records and Reporting (Bayo)
Division of Records and Reporting (Security File)