

State of Florida



Commissioners:
SUSAN F. CLARK, CHAIRMAN
J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING
JOE GARCIA

DIVISION OF WATER &
WASTEWATER
CHARLES HILL
DIRECTOR
(904) 413-6900

Public Service Commission

June 4, 1997

Mr. Wayne L. Schiefelbein
Gatlin, Schiefelbein & Cowdery, P.A.
The Mahan Station
1709-D Mahan Drive
Tallahassee, FL 32308

FILE, WWS

Re: Docket No. 961299-WS, Application for grandfather certificate to operate a water and wastewater utility in Polk County by Garden Grove Water Company, Inc.
Dear Mr. Schiefelbein:

Staff has reviewed the utility's current service availability charges and determined that the following additional information is needed in order for us to complete our review:

1. Please provide a copy of the entire Sheahen, Rowison & Messina report that was used in the utility's last rate case.
2. The Commission usually caps Allowance for Funds Prudently Invested (AFPI) charges at five years. Garden Grove's AFPI charges are capped after eight years. To the extent that it is not included in the Sheahen, Rowison & Messina report requested above, please provide the supporting documentation and assumptions, including the rationale for capping the charges after eight years, that were used in the AFPI charge calculation.

3. To the extent that it is not included in the Sheahen, Rowison & Messina report, please provide the supporting documentation for the water and wastewater connection charge calculations.

4. According to the service availability policy contained in the utility's proposed tariff, the utility's policy regarding construction of oversized facilities is that "the company may reimburse the developer for the documented cost differential directly attributable to oversizing or additional facilities of benefit only to Garden Grove Water Company, Inc." Are there any situations in which the developer would be charged the full cost of oversized facilities? If yes, would the utility reimburse the developer at a later date if additional customers connect to the oversized facilities (e.g., refundable advance agreement?)

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC 1 _____
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE
05615 JUN-6 66
FPSC-RECORDS/REPORTING

Mr. Wayne L. Schiefelbein
June 4, 1997
Page 2

5. Please provide an example of the type of developer's agreement, contract, etc. that the utility uses when providing service to new developments.

Please provide the requested information no later than June 20, 1997. Please feel free to call Kathy Johnson at (904)413-6230 if you have any questions.

Sincerely,

Martha A. Golden
Martha A. Golden
Economic Analyst

/MAG

cc: Mr. John G. Wood, Jr.
Division of Water and Wastewater (Hill, Williams, Messer, Redemann)
Division of Legal Services (Jaber, Crosby, Johnson)
Division of Records and Reporting