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November 16, 1998

VIA HAND DELIVERY

ROBERT M. C. ROSE  
OF COUNSEL

Ms. Blanca Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

981609-W15

Re: Southlake Utilities, Inc.  
D.R. Horton Custom Homes, Inc.'s Emergency Petition to  
Eliminate all Service Availability and AFPI Charges  
Our File No.33083.01

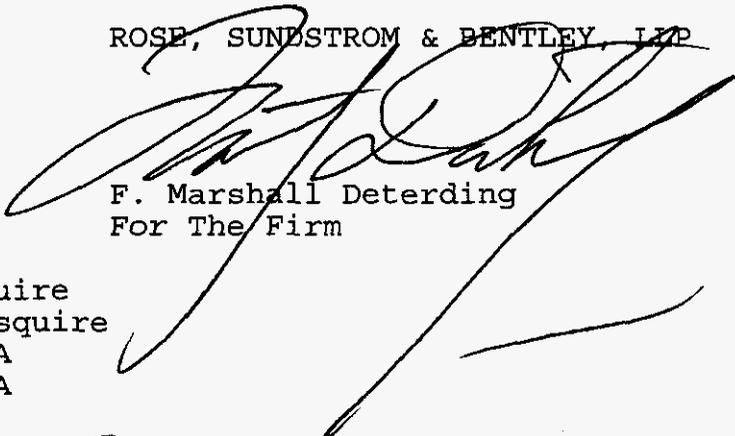
Dear Ms. Bayo:

Attached are the original and fifteen (15) copies of the  
Petition of D.R. Horton Custom Homes, Inc. to be filed with the  
Commission. Should you or any members of the staff have any  
questions or comments, please let me know. Otherwise, please  
provide me with any and all correspondence and filing relative to  
this matter as counsel to the Petitioner, D.R. Horton Custom Homes,  
Inc.

Should you have any questions in this regard, please let me  
know.

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
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- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC \_\_\_\_\_
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

Sincerely,  
ROSE, SUNDBSTROM & BENTLEY, LLP



F. Marshall Deterding  
For The Firm

FMD/tmg  
cc: Samantha McRae, Esquire  
Scott Schildberg, Esquire  
Tricia Merchant, CPA  
Marshall Willis, CPA  
Mr. Troy Rendell  
drhorton\bayo.ltr

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of D.R. Horton Custom Homes, Inc. for elimination of service availability charges and AFPI charges for Southlake Utilities, Inc. ) DOCKET NO.

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**EMERGENCY PETITION TO ELIMINATE ALL SERVICE AVAILABILITY AND AFPI CHARGES**

COMES NOW D.R. Horton Custom Homes, Inc. ("D.R. Horton" or "Utility"), by and through its undersigned attorney and pursuant to the provisions of Section 367.101, Florida Statutes, Section 25-22.036(4)(b), Rule 25-30.580, 28-106.301, Florida Administrative Code and files this Emergency Petition for the Commission, based upon this Petition or on its own Motion, to immediately eliminate the authority of Southlake Utilities, Inc. to collect service availability and AFPI charges imposed on its customers, on an interim and permanent basis and support thereof states:

Conformance With the Requirements of Rule 25-22.036(7)(a) 1 & 2, Florida Administrative Code

1. The name of the Commission is the Florida Public Service Commission and there is no Commission docket number assigned to this case as of the date of filing this Emergency Petition.
2. The name and address of the Petitioner is D.R. Horton Custom Homes, Inc., 6250 Hazeltine National Drive, Suite 102, Orlando, Florida 32822.
3. The name and address of the Utility Company is Southlake Utilities, Inc., 333 U.S. Highway 27, Clermont, Florida 34711.

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FPSC-RECORDS/REPORTING

8. Southlake Utilities, Inc. currently has authorized service availability charges of \$420.00 for water and \$775.00 for wastewater service. These charges were authorized pursuant to Commission Order Nos. 23947 and 24564.

9. Southlake Utilities, Inc. currently has authorized allowance for funds prudently invested charges for water and wastewater service respectively approved pursuant to Commission Order No. PSC-96-1082-FOF-WS.

10. Southlake Utilities, Inc. currently has authorized meter installation fees of \$130 for 5/8" x 3/4" meters, \$210 for 1" meters, and actual costs for all meters over 1".

11. Southlake Utilities, Inc.'s most recently filed annual report (calendar year ended December 31, 1997) reflects the following water account balances:

Plant & Service (Schedule W-1)	\$ 400,527
Accumulated Depreciation (Schedule W-2)	<u>34,021</u>
Original Cost Plant Net of Accumulated Depreciation	<u>366,506</u>
Contributions In Aid of Construction (Schedule F-8)	803,085
Accumulated Amortization of CIAC (Schedule F-8)	<u>36,944</u>
CIAC Net of Accumulated Amortization	<u>766,141</u>

12. Based upon the above information as filed in the Utility's annual report for the year ended December 31, 1997, the Utility currently has a contribution of level of 209.04% for its water system.

13. The Utility's current level of Contributions In Aid of Construction for its water system vastly exceeds the maximum authorized pursuant to Commission rule.

Equivalent Residential Connections and the system can efficiently serve 1,714 ERCs (Schedule W-6).

18. The Utility's annual report for the year ended December 31, 1997 states that the Utility is currently serving 302 Equivalent Residential Connections and the system can efficiently serve 1,964 ERCs (Schedule S-6).

19. Based upon the existing level of customers, the "build-out" number of customers indicated in the Utility's annual report; and the fact that there is no apparent "plant held for future use" indicated as related to those future customers; above and beyond the investments already made, a continuation of the current service availability charges will only increase the level of CIAC beyond the already vastly excessive current percentage levels indicated above, when the Utility approaches or reaches build-out.

20. The Commission has not only the authority, but a responsibility under the provisions of Section 367.131, Florida Statutes, and Rule 25-30.580, F.A.C. to immediately, and on an emergency basis, revise the charges authorized for service availability and AFPI to zero, in order to prevent the Utility from achieving contribution levels even higher than the vastly excessive levels indicated above.

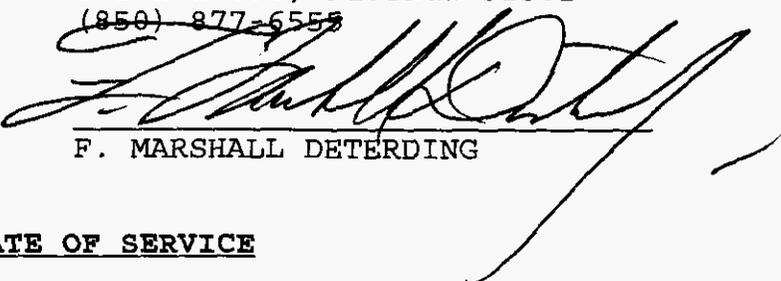
21. Failure of the Commission to take immediate emergency action in this regard will result in irreparable harm to the Petitioner, D.R. Horton Custom Homes, Inc.

WHEREFORE, D.R. Horton Custom Homes, Inc. requests that the Commission take immediate and emergency action to reduce all

service availability charges and AFPI charges authorized for Southlake Utilities, Inc. to zero in order to avoid a further collection of excessive service availability charges outside the maximum authorized by Commission rule. Time is of the essence in taking action to reduce these service availability charges in order to avoid the inevitable consequence of contribution levels even further in excess of those which exist currently which are already vastly in excess of the amounts allowed under Commission rules.

Respectfully submitted this  
16th day of November, 1998, by:

ROSE, SUNDSTROM & BENTLEY, LLP  
2548 Blairstone Pines Drive  
Tallahassee, Florida 32301  
~~(850) 877-6555~~



F. MARSHALL DETERDING

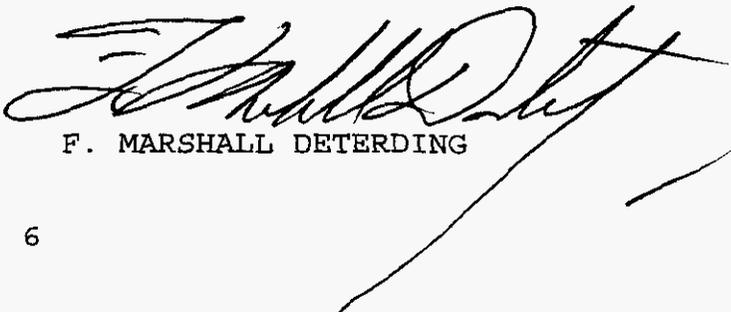
**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Hand Delivery\* or U.S. Mail to the following parties this 16th day of November, 1998.

Samantha McRae, Esquire\*  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0873

Scott Schildberg, Esquire  
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