

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.



DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
DIRECTOR
(850) 413-6900

Public Service Commission

November 13, 1998

Mr. Norman F. Mears
Rhema Business Services, Inc.
1344 Vickers Drive
Tallahassee, FL 32303-3041

Re: Docket No. 981337-WS, Application for grandfather certificates to operate water and wastewater utility in Polk County by S. V. Utilities, Ltd.

Dear Mr. Mears:

Your application on behalf of S. V. Utilities, Ltd., (S. V. Utilities) for grandfather certificates was received by the Commission on October 14, 1998 and assigned the above referenced docket number and name. Staff has preliminarily reviewed the application for deficiencies as well as for items that need clarification or correction. These items are as follows:

Deficiencies:

- ACK _____
- AFA _____ 1. Rate Authority. Pursuant to Rule 25-30.035(8), Florida Administrative Code (F.A.C.), a statement is required on the date and under what authority the current rates and charges were established. The application contained a statement that the rates are disclosed within the prospectus and lease pursuant to Chapter 723, Florida Statutes, governing mobile home rental communities. However, no information was provided as to the effective date.
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____ Please provide a statement indicating when the current rates were put into effect.
- LEG _____
- LIN _____ As verification of the existing rates, please provide a copy of the portions of the prospectus and lease that pertain to the utility's water and wastewater rates and when they were authorized.
- OPC _____
- RCH _____
- SEC _____ I Also, please provide statement specifically indicating whether or not the County ever authorized the utility's current rates. This statement is needed for legal purposes.
- WAS _____
- QTH _____

DOCUMENT NUMBER - DATE
13299 NOV 24 98
PSC-RECORDS/REPORTING

Mr. Norman F. Mears
Page 2
November 13, 1998

2. Legal Description and Territory Map. Rule 25-30.035(9), F.A.C., requires a legal description of the territory the utility is serving and Rule 25-30.035(11), F.A.C., requires a territory map reflecting that description. The legal description (measurements) for Hidden Cove East is different from staff's engineer measurements.

The utility's engineer, Mr. Ivan King, has been notified by staff's engineer, Mr. Richard Redemann, P.E., of the apparent discrepancy. A revision to either the legal description or territory map has been requested. (See attached copy Mr. Redemann's October 27, 1998 fax to Mr. King.) Please ensure that Mr. King's correction(s) are provided with your response and, if necessary, Tariff Sheet No. 3.1 is corrected in both the water and wastewater tariffs.

3. Permit Information. Rule 25-30.035(12), F.A.C., requires the numbers and dates of any permits issued by the Department of Environmental Protection (FDEP) or designated agency. For the water system, the application indicates the water permit number issued by the Southwest Florida Water Management District but does not indicate the date. For the wastewater system, the application indicates the current wastewater permit number issued by FDEP, but not the date, and it also indicates a new permit is pending.
 - a) Please indicate the dates the water construction permit and the current wastewater permit were issued.
 - b) For verification purposes, and for information needed for rates, please provide copies of the utility's water construction permit and both its current wastewater permit as well as its application for a new wastewater permit.
 - c) Also, please provide both the water and wastewater Monthly Operating Reports (MORs) for the twelve (12) months immediately prior to filing.
 - d) Please specifically indicate whether or not the utility is in a water caution area and, if so, which one.
 - e) Please indicate whether the water system is subject to any FDEP warning letter(s), which have not yet been resolved, or current consent order(s). If so, please provide copies of same along with a brief description of the actions the utility is taking to resolve the matter(s).

Clarifications / Corrections:

4. Tariff Address and Phone Number. The address and phone number for the utility on S. V. Utilities, tariffs is the same as that given for all the partners listed in the application, i.e., 5015 South Florida Avenue, Lakeland, Florida, 33813.

Mr. Norman F. Mears
Page 3
November 13, 1998

Please explain whether the address is for a management company and, if so, please indicate the name of the management company.

Also, please indicate how far this address is from the physical location of the utility, and its customers, and whether or not the phone numbers would be local calls.

5. Tariff Rates. The water and wastewater tariff rates for the Residential Service Schedules show a fixed monthly charge of \$15.00 in advance which includes up to 8,000 gallons of water. The customers are then billed quarterly, in arrears, for any usage above 10,000 gallons using a tiered-rate system. The Commission discourages combining normal usage in the base facility charge.

Please provide an analysis of customer bills for the twelve (12) months immediately preceding the filing to include:

- a) number of customers each month exceeding 8,000 gallon minimum charge
- b) average usage each month for customers exceeding 8,000 gallon minimum charge
- c) average usage each month for customers not exceeding 8,000 gallon minimum charge.

If changing the rate structure to separate usage from base facility charges would represent a hardship for the utility, please provide a detailed explanation. For instance, would it require an amendment to the utility's prospectus and, if so, what is the anticipated cost and length of time to implement this change?

6. Combined Rates. It appears that the utility has the same rate schedule for both water and wastewater service. Please verify whether there is one rate schedule to cover the costs of both services.
7. Cost of Service. If the rates and charges in Item 5, above, apply to both services, they will have to be allocated to the separate tariffs based on the relative cost to provide the services. Please provide an estimate of the relative costs to provide each service along with supporting documentation.
8. Miscellaneous Tariff Correction.
- a) Rules and Regulations--Signed Applications Necessary. The Index of Rules and Regulations for Water Tariff Sheet No. 6.1 and Wastewater Tariff Sheet No. 7.0, lists "Signed Application Required." The actual heading for the rule is "Signed Application Necessary." Please correct either the indexes or the rule headings to be consistent.

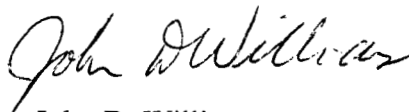
- b) Rules and Regulations--Payment of Water and Wastewater Service Bills Concurrently. The Index of Rules and Regulations for Wastewater Tariff Sheet No. 7.0, also lists "Payment of Water and Sewer Service Bills Concurrently." The actual rule heading is "Payment of Wastewater and Water Service Bills Concurrently." Please correct either the index or the rule heading to be consistent. In any case, "wastewater" is the preferred term over "sewer."
- c) Rules and Regulations--Withholding Service. Since not all violations of the rules and regulations in the utility's tariffs may be adequate cause for refusal or discontinuance of service pursuant to Rule 25-30.320, F.A.C., please remove the second paragraph of Rule 5.0 in both the water and wastewater tariffs.
- d) Rule and Regulations--Limitation of Use. Commission ruled not prohibit a customer of a utility from remetering. However, the customer must first have the utility's written consent, which the utility may withhold for cause. Please remove the second paragraph of Rule 7.0 in the water tariff and include at the end of the third paragraph of both the water and wastewater tariff the following parenthetical phrase taken from the model tariffs:
- (This shall not be construed as prohibiting a Customer from remetering.)
- e) Application for Service. Pursuant to Rule 25-30.310, F.A.C., a signed application is required prior to the initiation of service. (See also Rule 3.0 in the "Rules and Regulations" section of the utility's water and wastewater tariffs.) Once the utility's tariffs are effective, a signed application will be required on a going-forward basis for requests for service from new residents.

Please have the utility develop an application for water and wastewater service and provide a legible copy on the "Application for Service" tariff sheet. A sample application is included in the model tariffs. In any case, the application should include information on the payment period as well as how much notice the utility requires prior to service being voluntarily disconnected. This later provision is important since the "Rules and Regulations" section of the utility's tariffs do not contain a full "Termination of Service" rule--only a "Temporary Discontinuance of Service" rule.

Mr. Norman F. Mears
Page 5
November 13, 1998

Please file an original and five copies of your response to the items listed above with the Division of Records and Reporting on or before January 8, 1999. If you have any questions regarding the information requested, please contact Ms. Cheryl Johnson (850) 413-6984.

Sincerely,



John D. Williams
Chief, Bureau of Policy Development
and Industry Structure

c:\defltr\four

JDW:cj

Attachments: (3)

cc: Division of Water and Wastewater (Hill, Lowe, Johnson, Redemann)
Division of Legal Services (Crosby)
Division of Records and Reporting

State of Florida



Public Service Commission

FAX COVER SHEET

DATE: October 28, 1998

FROM: Division of Water & Wastewater, Richard Redemann P.E.
Florida Public Service Commission

FAX (850) 413-7000

If you have any questions or problems, please contact me at (850) 413-6999.

TO: Mr. Ivan King

FAX NUMBER: 6-1-941-299-7826

PHONE NUMBER: 6-1-941-325-6146

comments: Docket No. 981337-WS; S. V. Utilities, Ltd.

I came up with a few different measurements in Hidden Cove East. Please check the measurements and advise if the description in error? Please see the map.

Number of pages including cover sheet: 3

C:\WP6\981337fa.rpr

S. V. UTILITIES, LTD.

WATER AND WASTEWATER SERVICE AREA

POLK COUNTY

SWISS VILLAGE

Part of Sections 35 and 36, Township 27 South, Range 26 East, Polk County, Florida described as follows:

The East 1/2 of the Southeast 1/4 of Section 35, and the Southwest 1/4 of the Southwest 1/4 of Section 36, all in Township 27 South, Range 26 East, Polk County, Florida.

HIDDEN COVE EAST

Part of Section 1, Township 28 South, Range 26 East, Polk County, Florida described as follows:

The NE 1/4 of the NW 1/4 of the NE 1/4, LESS AND EXCEPT the West 42.2 feet and LESS AND EXCEPT the East ~~165.0~~ 200.0 feet, thereof, the SE 1/4 of the NW 1/4 of the NE 1/4, LESS AND EXCEPT the East ~~121.0~~ 150.0 feet and LESS AND EXCEPT the West 142.2 feet of the South 545.70 feet, LESS AND EXCEPT the West 42.2 feet of the North 100.0 feet and LESS AND EXCEPT the West 110.0 feet of the East ~~231.0~~ 265.0 feet of the South 170.0 feet, thereof, in Section 1 Township 28 South, Range 26 East, Polk County, Florida.

HIDDEN COVE WEST

Part of Section 1, Township 28 South, Range 26 East, Polk County, Florida described as follows:

The NE 1/4 of the NE 1/4 of the NW 1/4 and the NW 1/4 of the NW 1/4 of the NE 1/4 and the West 42.2 feet of the NE 1/4 of the NW 1/4 of the NE 1/4 and the North 385.0 feet of the SE 1/4 of the NE 1/4 of the NW 1/4 and the North 385.0 feet of the SW 1/4 of the NW 1/4 of the NE 1/4 and the North 385.0 feet of the West 142.2 feet of the SE 1/4 of the NW 1/4 of the NE 1/4, LESS AND EXCEPT the North 100.0 feet of the East 100.0 feet, thereof, in Section 1, Township 28 South Range 26 East, Polk County, Florida.

CITY LIMITS-WINTER HAVEN

HIDDEN COVE WEST

HIDDEN COVE EAST

(LAKE HENRY LN)

(LAKE HENRY DR)

(LAKE HENRY CIR)

(DOLPHIN) (MANATEE)

(CORAL)

CITY LIMITS - WINTER HAVEN

OLD LUCERNE PARK RD

CITY LIMITS

LUCERNE PARK FRUIT

DR)

ROAD CLOSED OR 337 Pg 65

LAKE HENRY DR (PRIVATE ROADS)

SEE 153000

SEE 179002

NE 1/4 of NW 1/4 of NE 1/4

108	001080	82' 82'
109	001090	82' 82'
110	001100	51' 51'
111	001110	82' 82'
112	001120	82' 82'
113	001130	82' 82'
114	001140	97' 33'
115	001150	125' 73'
116	001160	126'
117	001170	126'
118	001180	51' 51'
119	001190	126' 51'
120	001200	82' 82'
121	001210	82' 82'
122	001220	51' 51'
123	001230	82' 82'
124	001240	51' 51'
125	001250	82' 82'
126	001260	51' 51'
127	001270	82' 82'
128	001280	51' 51'
129	001290	82' 82'
130	001300	82' 82'
131	001310	82' 82'
132	001320	82' 82'
133	001330	82' 82'
134	001340	82' 82'
135	001350	82' 82'
136	001360	82' 82'
137	001370	82' 82'
138	001380	82' 82'
139	001390	82' 82'
140	001400	82' 82'
141	001410	82' 82'
142	001420	82' 82'
143	001430	82' 82'
144	001440	82' 82'
145	001450	82' 82'
146	001460	82' 82'
147	001470	82' 82'
148	001480	82' 82'
149	001490	82' 82'
150	001500	82' 82'
151	001510	82' 82'
152	001520	82' 82'
153	001530	82' 82'
154	001540	82' 82'
155	001550	82' 82'
156	001560	82' 82'
157	001570	82' 82'
158	001580	82' 82'
159	001590	82' 82'
160	001600	82' 82'
161	001610	82' 82'
162	001620	82' 82'
163	001630	82' 82'
164	001640	82' 82'
165	001650	82' 82'
166	001660	82' 82'
167	001670	82' 82'
168	001680	82' 82'
169	001690	82' 82'
170	001700	82' 82'
171	001710	82' 82'
172	001720	82' 82'
173	001730	82' 82'
174	001740	82' 82'
175	001750	82' 82'
176	001760	82' 82'
177	001770	82' 82'
178	001780	82' 82'
179	001790	82' 82'
180	001800	82' 82'
181	001810	82' 82'
182	001820	82' 82'
183	001830	82' 82'
184	001840	82' 82'
185	001850	82' 82'
186	001860	82' 82'
187	001870	82' 82'
188	001880	82' 82'
189	001890	82' 82'
190	001900	82' 82'
191	001910	82' 82'
192	001920	82' 82'
193	001930	82' 82'
194	001940	82' 82'
195	001950	82' 82'
196	001960	82' 82'
197	001970	82' 82'
198	001980	82' 82'
199	001990	82' 82'
200	002000	82' 82'
201	002010	82' 82'
202	002020	82' 82'
203	002030	82' 82'
204	002040	82' 82'
205	002050	82' 82'

150

265

326002

326001

183000

182001

182002

182003

203001

179

327

326

184

183

182

201

202

203

14.3

142.2'

156.5'

100'

545.70'

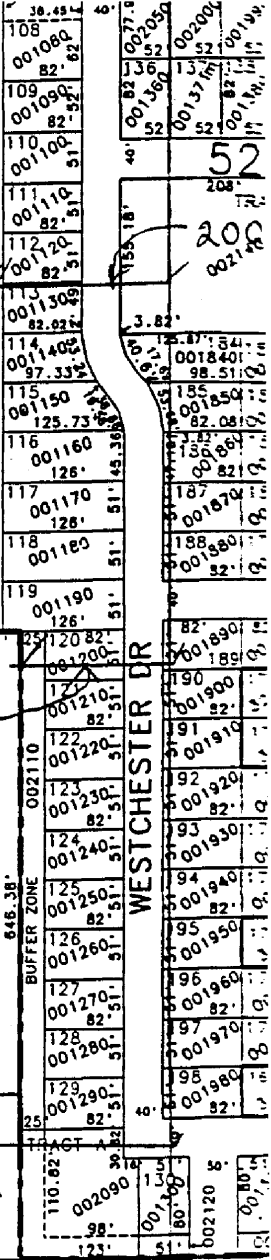
385'

320

321

880.25'

155.18'



52

200

185

190

195

200

205

210

215

220

225

230

235

240

245

250

255

260

265

270

275

280

285

290

295