

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



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

Public Service Commission

February 5, 1999

Mr. Martin S. Friedman, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, FL 32301

Re: Docket No. 981858-WS, Application for authority to transfer facilities of Rotonda West Utility Corporation and Certificates Nos. 565-W and 493-S in Charlotte County to AquaSource Utility, Inc.

Dear Mr. Friedman:

In addition to my letter this date notifying you of deficiencies in the above referenced application, the following are staff's corrections, suggested changes and comments on the proposed water and wastewater tariffs filed with the application. Except as otherwise noted, the items listed below apply to both the water and wastewater tariffs.

- 1. Tariff Numbering: On a transfer, all tariff sheets become new originals. You will need to renumber all the pages of both tariffs to reflect the fact that they are "Original Sheets."
- 2. Tariff Sheets Nos. 1.0, Cover Sheet: In addition to the utility name, these sheets should reflect the address and telephone numbers for the utility under the new owner.
- 3. Tariff Sheets Nos. 3.0, Territory Served: These sheets should reflect the certificate number for the respective services. The certificate number has been left off the water tariff sheet and is incorrect on the wastewater tariff sheet. Also, since these tariffs are new originals, the only order appearing on these sheets will be the order eventually approving the transfer. For now, just leave the order blank.
- 4. Tariff Sheets Nos. 3.1, et al, Territory Description: The legal description should be the consolidated description given in the notice which was the territory approved when the certificates were most recently granted. Staff recognizes that the existing tariff inadvertently used the territory description previously granted to Rotonda prior to the County rescinding jurisdiction. While both descriptions should describe the same area, the territory description

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

DOCUMENT NUMBER - STATE

01755 FEB 10 99

FPSC-RECORDS/REPORTING

in the order granting the current certificates was approved as consolidated and should be the description used until amended by any future Commission orders.

- 5a. **Water Tariff Sheets Nos. 6.0 and 6.1, Index of Rules and Regulations:** There are no Rules 25 or 26 in the Rules and Regulations section. Please either add such rules or delete the reference to them in the Index.
- 5b. **Wastewater Tariff Sheet No 6.0, Index of Rules and Regulations:** The rule for Evidence of Consumption is 22.0, not 23.0. Also, there is no rule for Filing of Contracts. Please either add such a rule or delete the reference to it in the Index.
6. **Tariff Sheets Nos. 8.0, Rule 5.0, Withholding Service:** Please delete the second paragraph of this rule. Although staff recognizes the second paragraph is in the utility's existing tariff, it is misleading. Not all violations of the rules and regulations warrant discontinuation of service.
7. **Water Tariff Sheet No. 8.0, Rule 7.0, Limitation of Use:** Please delete the second paragraph of this rule, as well. Staff recognizes that this paragraph is in the utility's existing tariff. However, Commission rules do not forbid utilities from providing service for resale. What is important is that customers not remeter or resale service without the utility's permission. That provision is in the third paragraph of this rule.
8. **Rate Sheets, Type of Filing:** Most of the sheets in the rate sections of the tariffs indicate the type of filing as a "Transfer of Majority Organizational Control." The application is for a transfer of certificate. Please change the type of filing on all these sheets to "Transfer of Certificate."
9. **Rate Sheets, Customer Deposits:** Staff has noted that the proposed new water and wastewater tariffs provide a per annum interest rate of 8% for residential customers. Rule 25-30.311(4)(a), Florida Administrative Code, currently provides for a minimum per annum interest rate for residential deposits of 6%. Since the rule is a minimum, the utility may offer a higher per annum interest rate on deposits. However, staff wanted to verify that the 8% was intentional and not a clerical error.

The proposed water and wastewater tariffs do vary, however, on the amount of per annum interest rate for non-residential customers. The water tariff indicates a 7% interest rate and the wastewater tariff indicates 9% interest rate. The per annum interest rate for non-residential customers needs to be consistent in both tariffs.

10. **Rate Sheets, Service Availability Fees and Charges:** To be consistent with the index, the schedule should either be titled "Schedule of Service Availability Fees and Charges" or "Service Availability Fees and Charges." Each sheet needs to have space at the bottom left

Mr. Martin S. Friedman, Esquire

Page 3

February 5, 1999

for the effective date and type of filing. **Water** Tariff Sheet No. 23.0-B and **Wastewater** Tariff Sheets Nos. 22.0A and 22.0B also need to be reduced so that all the numbers fit on the page. The numbers for 1998 have been cut-off and cannot be verified.

11. Form Section, Customer's Guarantee Deposit Receipt: Since the utility has provisions to charge customer deposits, it should have a deposit receipt. Please provide a deposit receipt in the forms section of each tariff.
12. Form Section, Customer's Bill: Also, in the forms section of each tariff, there needs to be a sample customer bill.
13. Index of Service Availability (1): The model tariffs provided two examples of indexes for service availability policies depending on the level of detail. Since the proposed tariffs do not have a detailed service availability policy, please delete the duplicative indexes on **Water** Tariff Sheet No. 30.0 and **Wastewater** Tariff Sheet No. 29.0 and then renumber the subsequent pages in sequential order.
14. Index of Service Availability (2): The tariff sheet numbers are wrong on the shortened indexes for **Water** Tariff Sheet No. 31.0 and **Wastewater** Tariff Sheet No. 30.0. When renumbering this section pursuant to Item 13, above, please take care that the tariff page numbers are correct in the indexes.

An original and two copies of tariff page changes should be filed with the Director, Division of Records and Reporting on or before March 5, 1999. If you have any questions about the tariffs, please contact Ms. Patricia Brady at (850) 413-6686.

Sincerely,



John D. Williams

Chief, Bureau of Policy Development
and Industry Structure

JDW:pb

cc: Division of Water and Wastewater (Brady)
Division of Legal Services (McRae, Crosby)
Division of Records and Reporting