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August 23, 1999

ROBERT M. C. ROSE
OF COUNSEL

Ms. Blanca Bayo, Director
Florida Public Service Commission
Water and Wastewater Division
2540 Shumard Oaks Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 981858-WS; AquaSource Utility, Inc.; Transfer of
Rotonda West Utility Corporation
Our File No. 33087.09

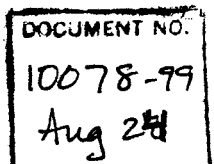
Dear Ms. Bayo:

This letter is a follow up to my earlier correspondence regarding the issues raised by the Staff in the above-referenced matter in the June 16, 1999 correspondence to me from John Williams. This letter responds particularly to those issues raised in paragraph 5 of that letter in the order in which they are presented.

(a). As of January 14, 1999, 889 ERCs have connected to the water system after the commencement of the AFPI charges on January 1, 1993. Thus, as of that date, the Utility ceased collecting the AFPI charges as set forth in its Water Tariff at Original Sheet No. 23.0-A designated as "Present".

(b). The current AFPI water treatment plant charges for each new connection is \$772.35. Since the Utility is connecting approximately 200 new units per year, we expect this AFPI charge to remain in effect for the next 4 to 5 years.

(c). The AFPI water distribution main charge for each new connection to the water system is \$314.60. As you know, this charge was approved by the Commission in 1995 in Order No. PSC-95-0780-FOF-WS as part of the grandfather certificate to the Utility.



Ms. Blanca Bayo
August 23, 1999
Page 2

Since the Utility is continuously installing mains, the AFPI charge continues indefinitely.

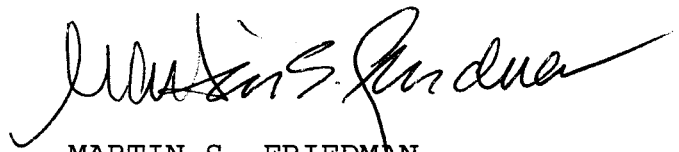
(c). As of May 10, 1999, 884 ERCs have connected to the wastewater system after commencement of the AFPI charges on January 1, 1993. Thus, the Utility is no longer collecting the AFPI charges set forth on Original Sheet No. 22.0-A of its Wastewater Tariff.

(d). Since the maximum number of connections has occurred, the Utility does not collect AFPI wastewater treatment plant charges.

(e). The current AFPI wastewater collection main charge for each new connection is \$104. This charge was approved by the Commission in the same Order referenced in paragraph (c) above. Since the Utility is continuously installing mains, the AFPI charge continues indefinitely.

Should the Staff have any further questions regarding this matter, please do not hesitate to have them give me a call.

Very truly yours,



MARTIN S. FRIEDMAN
For the Firm

MSF/brm

cc: Mr. James Lahtinen
Mr. Johnnie Overton
Mr. Anthony Villiotti
Ms. Pat Brady (via fax)

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