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(LICENSED IN TEXAS ONLY)

March 4, 2003

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

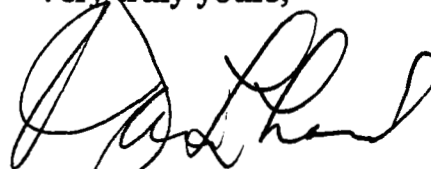
Re: Docket No. 020407-WS; Application of Cypress Lakes Utilities, Inc., for Rate
Increase in Polk County, Florida
Our File No.: 30057.45

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket are the original and five (5)
copies of revised schedules E-3, F-1, F-2, F-4, F-5, F-6, F-7, F-8, F-9, and F-10.

If you should have any questions, please call.

Very truly yours,



VALERIE L. LORD
Of Counsel

VLL:dmp
Enclosures

cc: Mr. Steven M. Lubertozi (w/ enclosure)
Mr. Donald W. Rassmussen (w/enclosure)
Mr. David L. Orr, EI (w/enclosure)
Mr. Frank Seidman (w/o enclosure)

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
CYPRESS LAKES UTILITIES, INC.
for a rate increase in Polk County

DOCKET NO. 020407-WS

NOTICE OF FILING

Applicant, CYPRESS LAKES UTILITIES, INC., by and through its undersigned attorneys, hereby notices the filing of Revised Schedules E-3, F-1, F-2, F-4, F-5, F-6, F-7, F-8, F-9, and F-10.

Respectfully submitted on this 4th day
of March, 2003, by:

ROSE, SUNDSTROM & BENTLEY, LLP
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By: 
MARTIN S. FRIEDMAN

REVISED MFR SCHEDULES

Customer Monthly Billing Schedule

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 020407-WS
 Test Year Ended: December 31, 2001
 Water [X] or Sewer []

Schedule: E-3
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 3/4/03

Explanation: Provide a schedule of monthly customers billed or served by class.

WATER

RESPONSE TO STAFF DATA REQUEST No. 6, Dated 2/20/03

Line No.	(1) Month/ Year	(2) Residential	(3) General Service	(4) Gen. Service Irrigation	(5) Private Fire Protection	(6) Other	(7) Total
1	January, 2001	1,042	5	36			1,083
2	February, 2001	1,044	5	36			1,085
3	March, 2001	1,044	5	36			1,085
4	April, 2001	1,044	5	36			1,085
5	May, 2001	1,050	5	36			1,091
6	June, 2001	1,060	5	36			1,101
7	July, 2001	1,067	5	36			1,108
8	August, 2001	1,067	5	36			1,108
9	September, 2001	1,077	5	36			1,118
10	October, 2001	1,085	5	36			1,126
11	November, 2001	1,085	5	36			1,126
12	December, 2001	1,091	5	36	-		1,132
13	Total	12,756	60	432	-	-	13,248

WASTEWATER

Line No.	(1) Month/ Year	(2) Residential	(3) General Service	(4) Multi-Family Dwelling	(5) Other	(6) Total
1	January, 2001	1,042	5			1,047
2	February, 2001	1,044	5			1,049
3	March, 2001	1,044	5			1,049
4	April, 2001	1,044	5			1,049
5	May, 2001	1,050	5			1,055
6	June, 2001	1,060	5			1,065
7	July, 2001	1,067	5			1,072
8	August, 2001	1,067	5			1,072
9	September, 2001	1,077	5			1,082
10	October, 2001	1,085	5			1,090
11	November, 2001	1,085	5			1,090
12	December, 2001	1,091	5	-		1,096
13	Total	12,756	60	-	-	12,816

Gallons of Water Pumped, Sold and Unaccounted For
In Thousands of Gallons

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
Docket No.: 020407-WS
Test Year Ended: December 31, 2001

Schedule F-1
Page 1 of 1
Preparer: Seldman, F.
Rev. 2, 3/4/03

Explanation: Provide a schedule of gallons of water pumped, sold and unaccounted for each month of the test year. The gallons pumped should match the flows shown on the monthly operating reports sent to DER. The other uses may include plant use, flushing of hydrants and water and sewer lines, line breakage's and fire flows. Provide all calculations to substantiate the other uses. If unaccounted for water is greater than 10%, provide an explanation as to the reasons why; if less than 10%, Columns 4 & 5 may be omitted.

Month/ Year	(1) Total Gallons Pumped (000)	(2) Gallons Purchased (000)	(3) Gallons Sold (000)	(4) Other Uses (000) (1)	(5) Unaccounted For Water (1)+(2)-(3)-(4)	(6) % Unaccounted For Water
1/2001	6,828		6,180	560	159	2.33 %
2/2001	6,708		6,109	-	441	6.57
3/2001	7,256		6,267	30	1,099	15.15
4/2001	7,383		6,127	-	770	10.43
5/2001	7,368		6,613	-	647	8.78
6/2001	6,275		6,721	50	1,125	17.93
7/2001	4,357		5,100	50	454	10.42
8/2001	4,194		3,853	100	506	12.06
9/2001	4,274		3,588	41	326	7.63
10/2001	5,966		3,907	21	523	8.77
11/2001	6,611		5,422	-	614	9.29
12/2001	7,254		5,997	-	1,257	17.33
Total	74,474	-	65,884	852	7,921	10.64 %

Note: There is no specific explanation as to why the percentage of unaccounted for water is 10.64% rather than 10.00%. It could be due to an understatement of other uses, which are estimated. It also could be due to the normal 2-3% range of meter error. It is the utility's position that the acceptable level of unaccounted for water, without explanation, should be 12.5%, based on recommendations in previous rulemaking dockets that include an allowance of 2-3% in addition to the 10% the Commission had historically recognized.

Company: Cypress Lakes Utilities, Inc.
Docket No.: 020407-WS
Test Year Ended: December 31, 2001

Schedule F-2
Page 1 of 1
Rev. 1, 3/4/03

Explanation: Provide a schedule of gallons of wastewater treated by individual plant for each month of the historical test year. Flow data should match the monthly operating reports sent to DER.

Month/ Year	(1)	(2)	(3)	(4)	(5)	(6)
	Individual Plant Flows (000)				Total Plant Flows	Total Purch. Sewage Treatment
	N/A	N/A	N/A	N/A		
1/2001	3,038				3,038	none
2/2001	2,912				2,912	
3/2001	3,410				3,410	
4/2001	3,210				3,210	
5/2001	3,100 *				3,100	
6/2001	3,000 *				3,000	
7/2001	3,441				3,441	
8/2001	2,635				2,635	
9/2001	3,030				3,030	
10/2001	3,069				3,069	
11/2001	3,150				3,150	
12/2001	3,193				3,193	
Total	37,188	-	-	-	37,188	-

* The effluent flow meter was out of service between early May and late June. The transducer failed and was replaced. In addition, plant improvements were completed, followed by the filling of empty aeration tanks and filters. As a result, the effluent volumes were reduced. The flows for May and June are estimated to be approximately 100,000 gpd.

Wastewater Treatment Plant Data

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
Docket No.: 020407-WS
Test Year Ended: December 31, 2001

Schedule F-4
Page 1 of 1
Preparer: Seidman, F.
Rev. 1, 3/4/03

Explanation: Provide the following information for each wastewater treatment plant. All flow data must be obtained from the monthly operating reports (MORs) sent to the Department of Environmental Regulation.

	<u>MONTH</u>	<u>GPD</u>
1. Plant Capacity (AADF)		<u>175,000</u>
The hydraulic rated capacity. If different from that shown on the DER operating or construction permit, provide an explanation.		
2. Average Daily Flow Max Month	<u>7/2001</u>	<u>111,000</u>
3. Average Annual Daily Flow		<u>101,885</u>

An average of the daily flows during the peak usage month during the test year. Explain, on a separate page, if this peak-month was influenced by abnormal infiltration due to rainfall periods.

(There is no record that this peak month was influenced by any abnormal infiltration)

Company: Cypress Lakes Utilities, Inc.
Docket No.: 020407-WS
Test Year Ended: December 31, 2001

Schedule F-5
Page 1 of 2
Preparer: Seidman, F.
Rev. 1, 3/4/03

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the water treatment plant(s) for the historical test year and the projected test year (if applicable).

Recap Schedules: A-5,A-9,B-13

INPUT INFORMATION:

Total well capacity, gpm		1,500 gpm
Firm Reliable well pumping capacity (largest well out), gpm		730 gpm
Ground storage capacity, gal.		0 gallons
Usable ground storage (90%), gal.		0 gallons
Hydropneumatic storage capacity, gal.		20,000 gallons
Usable hydropneumatic storage capacity (33.33%), gal.		6,667 gallons
Total usable storage, gal.		6,667 gallons
High service pumping capacity, gpm		0 gpm
Average day demand, maximum month		246,100 gpd
Maximum day, maximum month demand		331,000 gpd
Peak hour demand = 2 x maximum day		662,000 gpd
Instantaneous demand (see table, p. 2)	1082 customers	1,114 gpd
Fire flow requirement	500 gpm x 2 hours	60,000 gpd
Unaccounted for water	10.64% of water pumped	21,701 gpd, avg
Acceptable unaccounted for	12.50%	25,505 gpd, avg
Excess unaccounted for		0 gpd, avg

Used & Useful Analysis:

This system treats water with simple chlorination. The only storage is in hydropneumatic tanks and there is no high service pumping. All demands must be met by well pumping capacity. Used & useful is therefore determined on the basis of instantaneous demand.

Percent Used & Useful = (A + B + C - D)/E x 100%, where: 100.00%

A =	Peak demand	1,114 gpm
B =	Property needed to serve five years after TY	396 gpm
C =	Fire flow demand	500 gpm
D =	Excess unaccounted for water	0 gpm
E =	Firm Reliable Capacity	730 gpm

The above used & useful factor is applicable to all source of supply, pumping and treatment accounts, as well as the land, structures and distribution reservoir accounts.

Used and Useful Calculations
Wastewater Treatment Plant

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
Docket No.: 020407-WS
Test Year Ended: December 31, 2001

Schedule F-6
Page 1 of 2
Preparer: Seldman, F.
Rev. 1, 3/4/03

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the wastewater treatment plant(s) for the historical test year and the projected test year (if applicable).

<u>Line</u> <u>No.</u>		
1	(A)	Used and useful flow (000):
2		AADF - year 2001
		<u>101,885</u>
3	(B)	Property needed for post test year period (see F-8)
		<u>30,086</u>
4	(C)	Permitted capacity
		<u>175,000</u>
5	(D)	Used and useful percentage
		<u>75.41%</u>
6	(E)	Non-used and useful percentage
		<u>24.59%</u>

Recap Schedules: A-6,A-10,B-14

Company: Cypress Lakes Utilities, Inc.
Docket No.: 020407-WS
Test Year Ended: December 31, 2001

Schedule F-7
Page 1 of 1
Preparer: Seidman, F.
Rev. 1, 3/4/03

Explanation: Provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the water distribution and wastewater collection systems for the historical and the projected test year (if applicable). The capacity should be in terms of ability to serve a designated number of connections. It should then be related to actual connected density for historical year calculations. Explain all assumptions for projected calculations. If the distribution and collection systems are entirely contributed or built-out, this schedule is

Distribution & Collection and (Pumping) Systems

(A)	Average test year residential customers	1,058
		<u>-</u>
(B)	Property needed for post test year period (see F-8)	247
		<u>247</u>
(C)	Lots with service	1,200
		<u>1,200</u>
(D)	Used and useful percentage	<u>100.00%</u>
(E)	Non-used and useful percentage	<u>0.00%</u>

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 020407-WS
 Test Year Ended: December 31, 2001

Schedule F-8
 Page 1 of 2
 Preparer: Seidman, F.
 Rev. 1, 3/4/03

Explanation: If a margin reserve is requested, provide all calculations and analyses used to determine the amount of margin reserve for each portion of used and useful plant.

Recap Schedules: F-5, F-6, F-7

Water Treatment & Related Facilities

$PN = EG \times PT \times U$

where:

EG =	Equivalent annual growth in ERCs (see F-9)	77 ERC/yr	
PT =	Post test year period per statute	5 yrs	
U =	Unit of measure utilized in U&U calculations	1.03 gpm/ERC	*
PN =	Property needed expressed in U units	396 gpm/ERC	

* Instantaneous demand per ERC from F-5.

Wastewater Treatment & Related Facilities

$PN = EG \times PT \times U$

where:

EG =	Equivalent annual growth in ERCs (see F-9)	57 ERC/yr	
PT =	Post test year period per statute	5 yrs	
U =	Unit of measure utilized in U&U calculations	105 gpd/ERC	**
PN =	Property needed expressed in U units	30,086 gpd/ERC	

** Based on 2001 AADF divided by meter equivalent ERCs from Schedule E-3.

Distribution & Collection Systems

$PN = EG \times PT \times U$

where:

EG =	Equivalent annual growth in ERCs (see F-9)	49 ERC/yr	***
PT =	Post test year period per statute	5 yrs	
U =	Unit of measure utilized in U&U calculations	1 ERC/lot	
PN =	Property needed expressed in U units	247 ERC/lot	

*** Based on water SFR growth. Although the water & wastewater SFRs are slightly different, all residential customers are both water & wastewater.

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 020071-W5
 Test Year Ended: December 31, 2001

Schedule F-9
 Page 1 of 1
 Preparer: Seidman, F.
 Rev. 1, 3/4/03

Explanation: Provide the following information in order to calculate the average growth in ERCs for the last five years, including the test year. If the utility does not have single-family residential (SFR) customers, the largest customer class should be used as a substitute.

Line No.	(1) Year	(2) SFR Customers Beginning	(3) Ending	(4) Average	(5) SFR Gallons Sold	(6) Gallons/ SFR (5)/(4)	(7) Total Gallons Sold	(8) Total ERCs (7)/(6)	(9) Annual % Incr. in ERCs
1	1997	861	897	879	N/A	0	N/A	#DIV/0!	
2	1998	897	940	919	48,541,406	52,849	50,403,076	954	
3	1999	940	998	969	57,398,393	59,235	62,170,473	1,050	
4	2000	998	1,040	1,019	58,152,502	57,068	63,494,000	1,113	
5	2001	1,040	1,091	1,066	58,246,000	54,665	64,895,000	1,187	
Average Growth Through 4-Year Period (Col. 8)									7.58%

NOTE: Current owner began operation in 1998. Data for prior years not available.

Regression Analysis per Rule 25-30.431(2) (C)
 For Treatment Related Facilities based on ERCs

Constant: 884.9422256
 X Coefficient: 76.32492051
 R^2: 0.992788971

	X	Y
-	#DIV/0!	
1	954	Actual
2	1,050	Actual
3	1,113	Actual
4	1,187	Actual
5	1,267	Projected
6	1,343	Projected
7	1,419	Projected
8	1,496	Projected
9	1,572	Projected

Projected 5 year growth 385 ERCs
 Annual average growth 77

Regression Analysis per Rule 25-30.431(2) (C)
 For Distribution & Collection Facilities
 Based on Average SFR's rather than ERCs.

Constant: 870.25
 X Coefficient: 49.1
 R^2: 0.999630966

	X	Y
-	-	
1	919	Actual
2	969	Actual
3	1,019	Actual
4	1,066	Actual
5	1,116	Projected
6	1,165	Projected
7	1,214	Projected
8	1,263	Projected
9	1,312	Projected

Projected 5 year growth 247 ERCs
 Annual average growth 49

Equivalent Residential Connections - Wastewater

Florida Public Service Commission

Company: Cypress Lakes Utilities, Inc.
 Docket No.: 020071-WS
 Test Year Ended: December 31, 2001

Schedule F-10
 Page 1 of 1
 Preparer: Seldman, F.
 Rev. 1, 3/4/03

Explanation: Provide the following information in order to calculate the average growth in ERCs for the last five years, including the test year. If the utility does not have single-family residential (SFR) customers, the largest customer class should be used as a substitute.

Line No.	(1) Year	(2) SFR Customers		(4) Average	(5) SFR Gallons Sold	(6) Gallons/SFR (5)/(4)	(7) Total Gallons Sold	(8) Total ERCs (7)/(6)	(9) Annual % Incr. in ERCs
		Beginning	Ending						
1	1997	861	897	879	N/A	0	N/A	#DIV/0!	
2	1998	897	940	919	48,208,066	52,486	49,552,206	944	#DIV/0!
3	1999	940	998	969	57,355,903	59,191	59,446,963	1,004	6.38%
4	2000	998	1,040	1,019	58,152,502	57,068	60,685,220	1,063	5.88%
5	2001	1,040	1,091	1,066	57,938,000	54,376	60,580,000	1,114	4.77%
Average Growth Through 5-Year Period (Col. 8)									5.68%

NOTE: Current owner began operation in 1998. Data for prior years not available.

Regression Analysis per Rule 25-30.431(2) (C)
 For Treatment Related Facilities based on ERCs

Constant: 889.2297377
 X Coefficient: 56.8986
 R^2: 0.998446029

X	Y
-	#DIV/0!
1	944 Actual
2	1,004 Actual
3	1,063 Actual
4	1,114 Actual
5	1,174 Projected
6	1,231 Projected
7	1,288 Projected
8	1,344 Projected
9	1,401 Projected

Projected 5 year growth 287 ERCs
 Annual average growth 57