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 TALLAHASSEE, FL 32399-0850

Public Service Commission

October 16, 2003

Mr. George J. McDonald, P.E.
 9030 S Brittany Path
 Inverness, FL 34452

In Re: Docket No. 021067-WS, Application for a Staff-Assisted Rate Case in Polk County by River Ranch Water Management, L.L.C. (River Ranch or utility)

Dear Mr. McDonald:

Based upon my review of your letter to Mr. William Goaziou dated September 22, 2003, regarding the metering of certain connections in the River Ranch development, you indicate that the two approaches you contemplated were to meter the lots as a group with a master meter or to meter the lots individually. However, the Florida Public Service Commission (FPSC) found in Order No. PSC-03-0740-PAA-WS, issued June 23, 2003, that it is appropriate to require the utility to meter all general service connections plus all residential customers of the Countryside subdivision. Furthermore, the FPSC approved an addition to plant in service of \$106,750 to cover the metering costs. Residential consumption in the RV park will be calculated using the formula below:

Total gallons treated at water plant
 less Total consumption for all general service connections
 less Total consumption for Countryside subdivision
 equals Total residential consumption in the RV park

It is contemplated that the list of general service connections which require metering include:

Welcome Home/Model Cabin/Timeshare Model	Fisherman's Cove Restaurant/Marina Restaurant
Marina	East Corral Wild West BBQ Buffet
Saloon	RV Check-in Office/Mustang Center
Sales Center/Longhorn Center w/Pond	Fire Station
Country Store/Deli	Round-up Miniature Golf/Putt Putt Golf
Kids' Corral/Arcade	Grandma Siegele's Cookies

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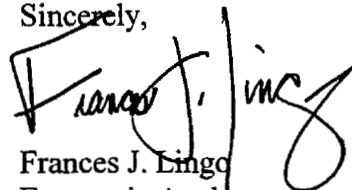
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Western Store/Clothing Store	Post Office
Arts and Crafts Store	Preview Center
Hotel	Hotel Pool
Rodeo Arena and Horse Stables	Church
Trap/Skeet Range	Petting Zoo
Pavilion Bath House	Bath House
Tennis Court/Basketball Court	Tennis Court
Pool #1	Pool #2
Laundry	Public Restrooms (5)
Meters for each of the 40 Irrigation Zones	

The utility was also ordered to provide consumption data, by individual meter, for the 15-month period beginning October 2003 and ending in December 2004. Based on the consumption data provided during this 15-month period, the Commission would have the information necessary to convert the utility's flat rate structure to a base facility charge/gallonage charge rate structure. If the utility is unable to fully comply with all portions of the FPSC's Order within the next 30 days, please notify me immediately. Should you have any further questions, please call me at (850) 413-6964.

Sincerely,



Frances J. Lingo
Economic Analyst

cc: Division of Economic Regulation (Rendell; Fitch; Massoudi; Stallcup)
Office of General Counsel (Holley)
Division of Commission Clerk and Administrative Services (docket file)

Mr. William J. Goaziou
Financial, Management & Land Consulting
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Davenport, FL 33837