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September 20, 2004
VIA HAND DELIVERY

Blanca S. Bayo, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Oak Springs, LLC; PSC Docket No. 040515-WU
Our File No. 38021.01

Dear Ms. Bayo:

After submittal of the revised Exhibit "H" and portions of Exhibit "E" to you last Friday, the Staff Analyst assigned to this case, Ms. Cheryl Johnson, pointed out a mathematical error in the calculations which were reflected in those revised exhibits. As such, I am resubmitting the revenue requirement water rate calculation and rate base calculation schedules to that revised Exhibit "H." These are identified as "Revised 9-16-04" at the top of each and should replace each of the schedules submitted last Friday which contained these errors. I am attaching the original and 15 copies of these three schedules.

As a result of these minor changes, there were also some slight changes in the rates and as such, the tariff sheets as submitted last Friday as revised sheet nos. 12 and 13 to Exhibit "E" also needed correction. Therefore, I have attached 15 copies of these as well.

If you have any questions in this regard or if you need any further clarification, please let me know.

Sincerely,
ROSE, SUNDSTROM & BENTLEY, LLP

F. Marshall Deterding
For The Firm

cc: Patti Daniel
Cheryl Johnson
Martha Brown
Mike Campbell
Julian Coto
Gary Morse

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Rate Base Summary - Revised 9/16/04

Florida Public Service Commission

Oak Springs MHP

Exhibit No.

Docket No.

Page 1 of 1

Preparer: Gary Morse

Line
No.

1	Gross Utility Plant In Service	\$	429,105
2	Accumulated Depreciation		232,957
3	Net Utility Plant In Service	\$	196,148
4	CIAC (Lines and Services) (Net)		0
5	Cash Working Capital (1/8 of O&M)		5,588
6	Rate Base	\$	201,736

Historical and Projected Revenue Requirement - Water

Florida Public Service Commission

Oak Springs MHP
Docket No.

Exhibit No.
Page 1 of 1
Preparer: Gary Morse

Line No.	NARUC Account No.	Account Description	Actual 2003	Estimated 2003	Projected 2004
1	601	Salaries and Wages - Employees (5)	\$ -	\$ -	\$ -
2	603	Salaries and Wages - Officers, Directors, and Majority Stockholder	-	-	-
3	604	Employee Pensions and Benefits	-	-	-
4	610	Purchased Water	-	-	-
5	615	Purchased Power	9,328 (1)	12,437 (2)	12,686 (12)
6	616	Fuel for Power Production	-	-	-
7	618	Chemicals	1,145 (3)	1,374 (4)	1,442 (12)
8	620	Materials and Supplies (8)	-	-	500
	630	Contractual Services			
9		Management Fee	-	-	6,000
10		Meter Reading and Billing	5,324 (5)	11,304 (6)	11,304
11		Professional (Contract Operation)	5,400 (7)	5,400 (7)	5,508 (12)
12		Lab Testing	1,780	1,816	1,852 (12)
13		Other (Routine Repair and Maintenance) (8)	-	-	2,000
14		Accounting and Legal (Annual Report) (8)	-	-	2,500
15	640	Rents	-	-	-
16	650	Transportation Expense	-	-	-
17	655	Insurance Expense	-	-	-
18	665	Regulatory Commission Expense	-	-	-
19	670	Bad Debt Expense (9)	-	-	410
20	675	Miscellaneous Expenses (8)	-	-	500
21		Total Operation and Maintenance Expenses	22,977	32,330	44,702
	236	Taxes Other Than Income Tax:			
22		Regulatory Assessment Fees	-	-	3,692
23		Payroll Tax	-	-	- (12)
24		Property Tax/Tangible Tax	3,023	3,023	3,174 (12)
25		Total Taxes Other Than Income Tax	3,023	3,023	6,866
26		Income Taxes (10)	-	-	-
27		Depreciation/Amortization Expense	-	18,755	17,035
28		Total Revenue Requirement Before Return on Investment	26,000	54,109	68,604
29		Overall Rate of Return on Net Investment @ 7.00% (11)	-	14,122	13,439
30		Total Revenue Requirement Including Return on Investment	\$ 26,000	\$ 68,230	\$ 82,043

Footnotes:

- (1) Actual 2003 expense represents only 9 months of actual data.
- (2) Estimated power cost for 2003 based on 9 months annualized.
- (3) Actual 2003 expense represents only 10 months of actual data.
- (4) Estimated chemical cost for 2003 based on 10 months annualized.
- (5) Actual 2003 expense represents only 9 months of actual data and the contractor charge of \$2.00 per meter.
- (6) Estimated meter reading cost for 2003 and 2004 based on a cost of \$3.00 per meter and 314 meters respectively.
- (7) Contract operation for water plant based on current cost of \$450 per month.
- (8) While the utility did not incur any expenditures for material and supplies, routine repairs, accounting(annual report), or miscellaneous expense, such costs are anticipated in the future. As such, reasonable estimates have been made for the projected test year as shown.
- (9) While the utility did not book any expenditure for bad debt during the 2003 historical test period, such costs are anticipated in the future. As such, 1/2 of 1% of the revenue requirement has been recognized as shown above.
- (10) Oak Springs parent company is a limited partnership. Therefore, pursuant to Rule 25-30.433(7), the utility operation does not incur an income tax liability.
- (11) Based on capital structure at April 30, 2004 and proposed leverage formula in staff recommendation in Docket No. 040006-WS.
- (12) 2004 costs escalated at 2%, except chemicals and property taxes which were escalated at 5% from 2003 costs.

Oak Springs MHP
Docket No.

Exhibit No.
Page 1 of 1
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Line No.	NARUC		Projected 2004	Allocation Basis		Amount Allocated To:	
	Account No.	Account Description		Base Facility	Gallorage	Base Facility	Gallorage
1	601	Salaries and Wages - Employees	\$ -	50%	50%	\$ -	\$ -
2	603	Salaries and Wages - Officers, Directors, and Majority Stockholder	-	50%	50%	-	-
3	604	Employee Pensions and Benefits	-	50%	50%	-	-
4	610	Purchased Water	-	0%	100%	-	-
5	615	Purchased Power	12,686	0%	100%	-	12,686
6	616	Fuel for Power Production	-	0%	100%	-	-
7	618	Chemicals	1,442	0%	100%	-	1,442
8	620	Materials and Supplies	500	50%	50%	250	250
	630	Contractual Services					
9		Management Fee	6,000	50%	50%	3,000	3,000
10		Meter Reading and Billing	11,304	50%	50%	5,652	5,652
11		Professional (Contract Ops & Engineering)	5,508	50%	50%	2,754	2,754
12		Lab Testing	1,852	50%	50%	926	926
13		Other (Routine Repair and Maintenance)	2,000	0%	100%	-	2,000
14		Accounting (Annual Report)	2,500	50%	50%	1,250	1,250
15	640	Rents	-	100%	0%	-	-
16	650	Transportation Expense	-	50%	50%	-	-
17	655	Insurance Expense	-	50%	50%	-	-
18	665	Regulatory Commission Expenses	-	50%	50%	-	-
19	670	Bad Debt Expense	410	50%	50%	205	205
20	675	Miscellaneous Expenses	500	50%	50%	250	250
21		Total Operation and Maintenance Expenses	44,702			14,287	30,415
	236	Taxes Other Than Income Tax:					
22		Regulatory Assessment Fees	3,692	0%	100%	-	3,692
23		Payroll Tax	-	50%	50%	-	-
24		Property Tax/Tangible Tax	3,174	50%	50%	1,587	1,587
25		Total Taxes Other Than Income Tax	6,866			1,587	5,279
26		Income Taxes	-	-	-	-	-
27		Depreciation/Amortization Expense	17,035	50%	50%	8,518	8,518
28		Total Revenue Requirement Before Return on Investment	68,604			24,392	44,212
29		Overall Rate of Return on Net Investment @ 7.00%	13,439	35.6%	64.4%	4,778	8,661
30		Total Revenue Requirement Including Return on Investment	\$ 82,043			\$ 29,170	\$ 52,873
		Rate Design:					
29		Factored ERC's				314	
30		Revenue Gallons (000's)					24,650
31		Monthly Base Facility Charge				\$ 7.74	
32		Gallorage Charge(\$/000)					\$ 2.14
33		Typical Bill @ 7,400 Gallons/Month					23.58

NAME OF COMPANY OAK SPRINGS, LLC

WATER TARIFF

GENERAL SERVICE
RATE SCHEDULE GS

- AVAILABILITY - Available throughout the area served by the Company.
APPLICABILITY - For water service to all Customers for which no other schedule applies.
LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
BILLING PERIOD -
RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8 X 3/4"	\$ 7.74
3/4"	\$ 11.61
1"	\$ 19.35
1 1/2"	\$ 38.70
2"	\$ 61.92
3"	\$ 123.84
4"	\$ 193.50

Gallage Charge
per 1,000 Gallons \$ 2.14

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -
TYPE OF FILING - Original Certificate

MICHAEL CAMPBELL
ISSUING OFFICER
MANAGING MEMBER
TITLE

NAME OF COMPANY OAK SPRINGS, LLC

WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service for all purposes in private residences and individually metered apartment units.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD -
- RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8 X 3/4"	\$ 7.74
3/4"	\$ 11.61
1"	\$ 19.35
1 1/2"	\$ 38.70
2"	\$ 61.92
3"	\$ 123.84
4"	\$ 193.50

Gallonage Charge
per 1,000 Gallons \$ 2.14

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Original Certificate

MICHAEL CAMPBELL
ISSUING OFFICER

MANAGING MEMBER
TITLE