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Public Service Commission

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COMMISSION
CLERK

-M-E-M-O-R-A-N-D-U-M-

DATE: December 21, 2005

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Nina L. Merta, Professional Accountant Specialist, Division of Economic Regulation *SM*

RE: Docket No. 050880-WU

Attached is a December 19, 2005 letter from Kristee Mollerup, Brendenwood Water System, Inc. in response to deficiencies stated in staff's November 21, 2005 letter. Please include this letter in the above docket file.

Cc: Division of Economic Regulation (Rendell)

- CMP _____
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- OTH _____

DOCUMENT NUMBER-DATE

11791 DEC 21 05

FPSC-COMMISSION CLERK

December 19, 2005

Deborah Miller / Kristee Mollerup
Brendenwood Water System
3153 Penwa Ct.
Longwood, FL 32779
(407) 333-0182
(407) 435-5773

05 DEC 21 AM 10:56
REGULATORY
ECONOMIC REGULATION

Mr. Troy Rindell
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Re: Docket No. 050880-WU Petition for limited alternative rate increase in Lake County by Brendenwood Water System, Inc. - Additional Information

Dear Mr. Rindell:

This letter is in response to your letter dated November 21, 2005 regarding our deficiencies for the Brendenwood Water System, Inc. application for a limited alternative rate increase.

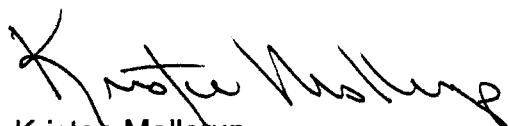
1. We are requesting a 20% increase be applied to our current metered rates of all classes of service.
2. There is one 100% owner of Brendenwood stock as follows:
Deborah J. Miller
22631 Rockland Ave.
Sorrento, FL 32776
3. Attached is a schedule of annualized revenues by customer class and meter size based on rates currently in effect. The 12-month period is 12/1/04 - 11/30/05.
4. Attached is a schedule of current and proposed rates for all classes of customers.
5. Attached is a statement from the owner verifying that the figures and calculations upon which the change in rates is based are accurate and that the change will not cause the utility to exceed its last authorized rate of return on equity.

6. We mailed a copy of this petition (this letter and the letter dated 11/15/05) to the Lake County Commissioner of District 4 (Catherine Hanson) and District 5 (Welton Cadwell). Attached is a copy of the transmittal letters. A copy of the petition is also being retained at the business office and utility location.

Please advise us if additional information is required.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristee Mollerup". The signature is written in a cursive style with a large initial "K".

Kristee Mollerup
Accountant, Brendenwood Water System

Calculation of Annualized Revenues

December 1, 2004 - November 30, 2005

RS number of Customers on 11/30/05 times BFC times 12 months

$$57 \text{ customers} \times \$10.42 \text{ BFC} \times 12 \text{ months} = \$7,127.28$$

RS number of Gallons times Rate for less than 10,000 gallons

$$5,321 \text{ gallons} \times \$1.48/\text{gallon} = \$7,875.08$$

RS number of Gallons times Rate for less than 10,000 gallons

$$2,601 \text{ gallons} \times \$2.11/\text{gallon} = \$5,488.11$$

Total RS Revenue \$20,490.47

GS number of Customers on 11/30/05 times BFC times 12 months

$$1 \text{ customers} \times \$10.42 \text{ BFC} \times 12 \text{ months} = \$125.04$$

GS number of Gallons times Rate for all gallons

$$46 \text{ gallons} \times \$1.74/\text{gallon} = \$80.04$$

Total GS Revenue \$205.08

Total Annualized Revenue \$20,695.55

Proposed Rates

Water Rates - RS, GS

<u>Meter Size</u>	<u>Old Rates</u>	<u>20% Rate Increase</u>	<u>New Rates</u>
5/8" x 3/4"	\$10.42	\$2.08	\$12.50
3/4"	\$15.62	\$3.12	\$18.74
1"	\$26.04	\$5.21	\$31.25
1 1/2"	\$52.07	\$10.41	\$62.48
2"	\$83.32	\$16.66	\$99.98
3"	\$166.61	\$33.32	\$199.93
4"	\$260.35	\$52.07	\$312.42
6"	\$520.70	\$104.14	\$624.84
Gallonage Charge RS	\$1.48	\$0.30	\$1.78
Gallonage Charge RS	\$2.11	\$0.42	\$2.53
Gallonage Charge GS	\$1.74	\$0.35	\$2.09

STATEMENT

I, DEBORAH J. MILLER, hereby affirm that the figures and calculations upon which the change in rates is based are accurate and that the change will not cause BRENDENWOOD WATER to exceed the range of its last
(Utility Name) SYSTEM INC.
authorized rate of return on equity, which is 10%.

I, the undersigned/officer of the above-named utility, have read the foregoing and declare that, to the best of my knowledge and belief, the information contained in this application is true and correct.

This affirmation is made pursuant to my request for a Limited Alternative Rate Increase in conformance with Rule 25-30.457(10), Florida Administrative Code.

Further, I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

Signature: Deborah J. Miller
Title: PRESIDENT / OWNER
Telephone Number: (407) 435-4758 / (352) 383-7908
Fax Number: (407) 333-2436

December 19, 2005

Deborah Miller / Kristee Mollerup
Brendenwood Water System
3153 Penwa Ct.
Longwood, FL 32779
(407) 333-0182
(407) 435-5773

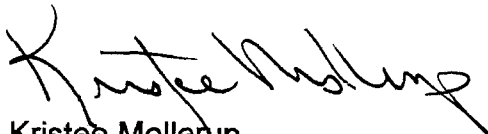
Catherine Hanson
County Commissioner, District 4
PO Box 7800
Tavares, FL 32778

Re: PSC Docket No. 050880-WU Petition for limited alternative rate increase in Lake County by Brendenwood Water System, Inc.

Dear Commissioner Hanson:

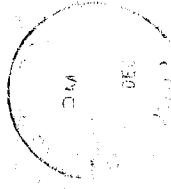
Attached is a copy of a petition for a limited alternative rate increase in Lake County by Brendenwood Water System, Inc., a water utility located in Grand Island, Florida.

Sincerely,



Kristee Mollerup
Accountant, Brendenwood Water System

Princeton
2153 Corners
Lanark, FL
32179



Mr. Tracy Lindell
Florida Public Service Comm.
2540 Steward Oak Blvd.
Tallahassee, FL

32399

32399+7019 0001

