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Public Service Commission

February 7, 2006

Ms. Tammy Buchhardt
Island Club West Development Inc.
3100 Sand Mine Rd.
Davenport, Florida 33897

Re: Docket No. 050595-WS - Application for Certificates to provide water and wastewater service in Polk County by Island Club West Development Inc.

Dear Ms. Buchhardt:

Your application for a certificate of authorization has been received and reviewed by Commission staff. This letter addresses the remaining deficiencies and additional information needed regarding your application filed on September 8, 2005.

Deficiency

- As required by Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code (F.A.C.), the utility must provide notice of the application and provide affidavits that the notice was given to the governing bodies of the municipality, county, or counties, and privately owned water and wastewater utilities that hold certificates granted by the Public Service Commission. The application indicated that an affidavit of the mailing notice to property owners would be provided as late filed Exhibit 11A and late filed Exhibit 12A. Please submit the affidavits along with the notice that was given to the customers and governing bodies of the municipality, county, or counties, and privately owned water and wastewater utilities that hold certificates issued by the Public Service Commission as required by Rule 25-30.030, Florida Administrative Code.

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Additional Information

- The application includes the financial statements of Resort Management Group, an affiliate of the applicant. If this affiliate is being relied upon to provide funding to the utility, please provide a statement from Resort Management Group indicating its financial support.

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2. Provide a cost study and/or support for the proposed rates being charged. Please include a schedule showing the assets, liabilities, and operating expenses of the utility by the National Association of Regulatory Utility Commissioners Uniform system of accounts (NARUC USOA) and a schedule showing the proposed capital structure.
3. Please provide documentation to show whether the costs for the lines are depreciated or written off to the cost of goods sold on the property owners tax returns. If the lines are being depreciated, provide documentation as to the depreciation rate used on the tax return and the cost for the lines. The tax returns that were previously provided did not specifically indicate the depreciated assets of the utility. In addition, you informed staff that the tax returns were to be discarded.
4. Staff has enclosed a copy of the utility tariff which should to be corrected as indicated on the tariff pages and resubmitted to the Commission.
5. Please submit a copy of a **customer bill**, which contains all information required by Rule 25-30.335(1), Florida Administrative Code, on Original Sheet No. 22.0 of the water tariff and on Original Sheet No. 20.0 of the wastewater tariff. In addition, staff has enclosed an example of what the customer bill should look like for the water tariff page 22.0 and wastewater tariff page 20.0. Please note the highlighted items must be on the utility bills that are mailed to the customers. The bill should only include charges for water and wastewater services that are provided by the utility.
6. Based on your application, there is a club house and pool that the utility provide service to without compensation to the utility. Please be aware that all customers receiving utility services must be billed.
7. In the October 12, 2005, deficiency letter staff requested the monthly gallons of **water and wastewater service** purchased from the county and the total monthly gallons of water and wastewater used by customers, as well as the dollar amounts billed to Four Points Utility by the county for these services, from January 2004, to the present. To date, staff has only received the data for the water system. Please submit the data for the wastewater system. In addition, please provide copies of the bills from the county for purchased water and wastewater service, and the meter reading books for the same period of time (January 2004, to the present).
8. Please note that the books and records of the utility will have to be set up in accordance with the NARUC USOA. In addition, a statement must be provided stating that the utility's books and records are established in compliance with the NARUC USOA.

Ms. Tammy Buchhardt

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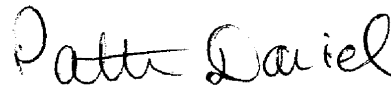
February 7, 2006

The original and four copies of the response to the information requested in this letter should be filed with the Commission on or before **February 20, 2006**. When filing the response, please be sure to refer to the docket number and to direct the response to:

Division of Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Should you have any questions concerning the information in this letter, please contact Tom Walden at 850-413-6950 or Cheryl Johnson at 850-413-6984.

Sincerely,



Patti Daniel
Supervisor of Certification

PD/CAJ:kb

cc: Division of Economic Regulation (Johnson, Walden)
Office of the General Counsel (Rodan)

~~Division of Commission Clerk and Administrative Services (Bayó)~~